


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING				FORM 3 AMENDED REPORT <input type="checkbox"/>		
APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER TOHONADLA 35-P		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT TOHONADLA		
4. TYPE OF WELL Oil Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>				5. UNIT or COMMUNITIZATION AGREEMENT NAME		
6. NAME OF OPERATOR NAVAJO NATION OIL & GAS CO				7. OPERATOR PHONE 303 534-8300		
8. ADDRESS OF OPERATOR P.O. Box 4439, Window Rock, AZ, 86515				9. OPERATOR E-MAIL LGerminario@nnogc.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 1420603229		11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') NAVAJO NATION		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1219 FSL 722 FEL	SESE	35	41.0 S	21.0 E	S
Top of Uppermost Producing Zone	1219 FSL 722 FEL	SESE	35	41.0 S	21.0 E	S
At Total Depth	1219 FSL 722 FEL	SESE	35	41.0 S	21.0 E	S
21. COUNTY SAN JUAN		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1219		23. NUMBER OF ACRES IN DRILLING UNIT 40		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1376		26. PROPOSED DEPTH MD: 6850 TVD: 6850		
27. ELEVATION - GROUND LEVEL 4688		28. BOND NUMBER		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 09-135		
ATTACHMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES						
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER			<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
NAME Al Zier		TITLE Operations/Production Manager			PHONE 303 534-8300	
SIGNATURE		DATE 09/02/2010			EMAIL azier@nnogc.com	
API NUMBER ASSIGNED 43037500050000		APPROVAL  Permit Manager				

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Cond	20	16	0	60		
Pipe	Grade	Length	Weight			
	Grade K-55 ST&C	1385	24.0			
	Grade J-55 LT&C	6835	17.0			

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Tohonadla 23-P
1219' FSL & 722' FEL
Sec. 35, T. 41 S., R. 21 E.
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Drilling Program

1. FORMATION TOPS

The estimated tops of important geologic markers are:

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Carmel Sandstone	0'	15'	+4,688'
Navajo Sandstone	273'	288'	+4,415'
Kayenta Sandstone	633'	645'	+4,055'
Wingate Sandstone	663'	678'	+4,025'
Chinle Shale	1,123'	1,138'	+3,565'
Shinarump Sandstone	1,683'	1,698'	+3,005'
Moenkopi Sand & Mud Stones	1,938'	1,953'	+2,750'
DeChelly Ss/Mdst/Shale	2,098'	2,113'	+2,590'
Organ Rock Shale/Sltst/Ss	2,301'	2,316'	+2,387'
Lower Cutler Sltst/Ss/Shale	3,023'	3,038'	+1,665'
Honaker Trail Ls/Sltst/Shale	4,063'	4,078'	+625'
Paradox Ls/Sltst/Marls/Shale	4,615'	4,630'	+73'
Ismay Ls/Dolo/Marls/Shale	4,912'	4,927'	-224'
Lower Ismay Ls/Dolo/Marls/Shale	4,998'	5,013'	-310'
Desert Creek Ls/Dolo/Marls/Shale	5,083'	5,098'	-395'
Akah Ls/Dolo/Anhy/Shale	5,283'	5,298'	-595'
Barker Creek Ls/Dolo/Anhy/Shale	5,470'	5,485'	-782'
Pinkerton Trail Ls/Dolo/Anhy/Shale	5,700'	5,715'	-1,012'
Molas Mudst/Slt/Ls/Shale	5,888'	5,913'	-1,200'
Leadville Limestone/Dolomite	6,063'	6,068'	-1,375'
Total Depth (TD)	6,850'	6,865'	-2,162'

2. NOTABLE ZONES

Desert Creek and Ismay oil production is the primary goal. Upper Leadville oil

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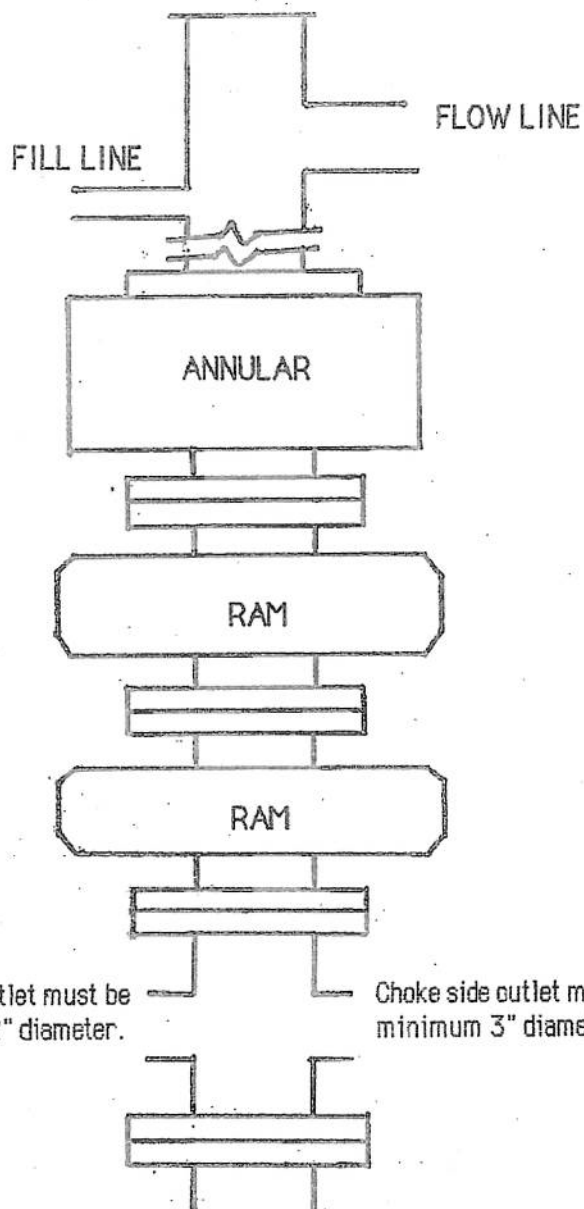
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production is the secondary goal. Oil and gas shows which appear to the well geologist to be commercial will be tested. All fresh water and prospectively valuable minerals will be recorded by depth and protected with casing and cement. Likely fresh water zones are the Glen Canyon group of sandstones.

3. PRESSURE CONTROL

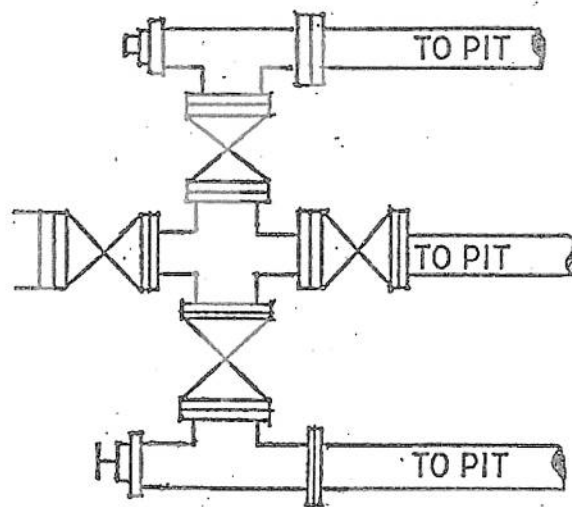
A 13-5/8" 3,000 psi double ram and annular preventer with a 3,000 psi choke manifold will be used. A diagram of a typical BOP is on Page 3. Actual model will not be known until bid is let. Procedures are ...

- Nipple up BOP and all equipment
 - Test to 250 #/3,000#
 - Test Hydril to 2,000 psi
 - Log in I. A. D. C. book
- Drill 1/2 of shoe joint
 - Test to 1,500 psi for 30 minutes
 - Log in I. A. D. C. book
- Activate BOPs every 24 hours or on trips and log in I. A. D. C. book
- Install hand wheels and lay straight flare line before drilling out
- Conduct weekly BOP drills with each crew and log in I. A. D. C. book
- Have floor valve and wrench on floor at all times
 - Floor valve must be in open position
- Before drilling surface casing shoes, blind rams will be closed. BOP and surface casing will be pressure tested to 1,500 psi for a total test time of 30 minutes if not previously tested by Halliburton during cement job.
- Studs on all well head and BOP flanges will be checked for tightness weekly
- Hand wheels for locking screws will be installed and operational
- Entire BOP and well head assembly will be kept clean of mud
- A drill stem safety valve in the open position will be available
- Call BLM at (505 599-8900) and the Utah Division of Oil, Gas, & Mining at (801 538-5340) before testing BOPs



TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum). The choke line will be 3" in diameter. There will be a pressure gauge on the choke manifold.



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve.

Upper kelly cock will have handle available.
Safety valve and subs will fit all drill string connections in use.
All BOPE connections subjected to well pressure will be flanged, welded, or clamped.

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4. CASING & CEMENT

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Age</u>	<u>Coupling</u>	<u>Burst/Collapse</u>	<u>Depth Set</u>
20"	16"		Conductor	New			60'
12-1/4"	8-5/8"	24#	J or K-55	New	S T & C	2,950/1,370	1,400'
7-7/8"	5-1/2"	17#	J or K-55	New	L T & C	5,320/4,910	6,850'

Conductor pipe will be cemented to the surface with ready-mix.

Surface casing will be cemented to the surface with $\approx 50\%$ excess. Lead with ≈ 325 sacks (≈ 633 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈ 200 sacks (≈ 238 cubic feet) standard cement + 1% CaCl_2 + 1/4 pound per sack cellophane mixed at 15.6 pounds per gallon and 1.19 cubic feet per sack. Centralizers will be placed $\approx 5'$ off the bottom and on the first three joints and the fifth joint.

Production casing will be cemented with $\approx 40\%$ excess to $\approx 1,200'$ (i. e., $\geq 200'$ above surface casing shoe). Lead with ≈ 510 sacks (≈ 994 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈ 335 sacks (≈ 422 cubic feet) premium with 5 pounds per sack gilsonite + 0.6% Halad 9 + 0.25 CFR-3 mixed at 15.2 pounds per gallon and 1.26 cubic feet per sack. Centralizers will be set on the shoe joint, top of the second and third joints, and continue through and above pay zones at $\approx 90'$ intervals.

5. MUD PROGRAM

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>	<u>Type</u>
0 - 1,400'	8.3 - 8.7	27 - 32	N/C	Fresh H_2O gel lime spud mud, pH 9
1,400' - TD	8.4 - 10.0	38 - 40	8 cc	Fresh water gel & PHPA, SAPP, etc

Cuttings will be collected every $\approx 30'$ from the surface to $\approx 5,500'$. Cuttings

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will be collected every $\approx 10'$ from $\approx 5,500'$ to TD.

6. CORES, LOGS, & TESTS

Cores may be cut depending upon shows, most likely in the Desert Creek. GR - Sonic and DLL-Micro-SFL log suites will be run from TD to the surface. FDC-CNL logs will be run from TD to $\approx 4,000'$. No drill stem tests are currently planned.

A geologist or mud logger will be on site from $\approx 4,000'$ to TD.

7. DOWN HOLE CONDITIONS

No abnormal temperatures or abnormal pressures are expected. Maximum expected bottom hole pressure will be $\approx 2,945$ psi. Hydrogen sulfide is expected in the Mississippian, just below the Pinkerton. A contingency plan is attached.

8. OTHER INFORMATION

The anticipated spud date is March 1, 2008. It is expected it will take ≈ 3 weeks to drill and ≈ 2 weeks to complete the well.

Navajo Nation Oil & Gas Co., Inc. is requesting an exception due to geology. The location is based on seismic. The well is staked at 1219' FSL & 722' FEL 35-41s-21e on 2,560 acre Tribal lease 14-20-603-229. Thus, it is 359' too far north.

Navajo Nation Oil & Gas Co., Inc. is requesting permission to drill at 1219' FSL & 722' FEL 35-41s-21e. This is the only well, existing or planned, in the

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quarter-quarter. The closest (1,376') existing or planned well is ST Oil Company's existing Tohonadla 1 at 660 FS & 1980 FE 35-41s-21e. ST Oil Company is a partner in the Tohonadla 35-P.

Closest lease line is 1219' south. Navajo Nation Oil & Gas Co., Inc. or ST Oil Company is owner of all drilling units within a minimum 4,309' radius of the proposed exception. Five of the 8 offset quarter-quarters are part of the same lease. The three remaining offset quarter-quarters are part of jointly operated Navajo Nation Oil & Gas Co., Inc. and ST Oil Tribal 320 acre lease 14-20-603-270. The quarter-quarter (NESE Sec. 35) toward which the well encroaches is part of the same lease.

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Surface Use Plan

1. DIRECTIONS (See PAGES 12 - 15)

From the junction of US 163 and US 191 west of Bluff
Go South 8-1/4 miles on US 191 to the equivalent of mile post 13.1
Then turn left and go Northeast 0.7 miles on a sandy road to the 23 #1 well
Then bear left and go Northeast 187.32' cross country to a surface pipeline
Then turn left and go Northwest 1,347.19' along the steel surface pipeline
Then turn right and go Northeast 356.7' cross country to the proposed pad

Roads will be maintained to at least equal to their present condition.

2. ROAD WORK (See PAGES 14 & 15)

No upgrade is needed for the existing road. The 1,891.21' of new road will be built to BLM Gold Book standards. Road will have a $\approx 14'$ wide running surface and will be rocked where needed. No culvert, vehicle turn out, or cattle guard is needed. Maximum disturbed width will be 20'. Maximum cut or fill = 3'. Maximum grade = 5%.

3. EXISTING WELLS (See PAGE 13)

There are 2 water, 4 oil, and 7 plugged wells within a mile radius. There are no gas or injection wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES (See PAGES 14 & 15)

A well head and gas powered pump will be installed on the pad. Both will be

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painted a flat Carlsbad tan. A 2,573.19' long ≈ 4 " O. D. steel pipeline will be laid along the road from the well to the existing separator and tank battery. The pipeline will be buried ≈ 36 " deep.

5. WATER SUPPLY

Water will be trucked from Monument Resources' well on private land in 30-40s-22e near Bluff. Water right number is 09-135.

6. CONSTRUCTION METHODS & MATERIALS (See PAGES 16 & 17)

The top 6" of soil and brush will be stripped and stockpiled east of the pad. The pit subsoil will be piled east of the pit and separate from the topsoil. A diversion ditch will be cut north of the pad. A minimum 12 mil plastic liner will be installed in the reserve pit. The reserve pit will be fenced sheep tight on 3 sides with woven wire fence topped with barbed wire. The fourth side will be fenced once the rig moves off. The fence will be kept in good repair while the pit dries. Once dry, contents of the reserve pit will be buried in place.

Rock will be bought and trucked from private land near Bluff.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage and hauled to the county landfill. Human waste will be disposed of in chemical toilets. Toilet contents will be hauled to a state approved dump station off the reservation.

8. ANCILLARY FACILITIES

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There will be no air strip or camp. Camper trailers will be parked on the pad for the company man, tool pusher, and mud logger.

9. WELL SITE LAYOUT

See PAGES 16 and 17 for drawings of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION

Reclamation starts once the reserve pit is dry, at which point it will be back filled. Liner top will be folded over contents and covered with ≥ 24 " of dirt. The reserve pit and any pad areas not needed for producing the well will be reclaimed as an interim measure. Once the well is plugged, the remainder of the pad and road will be reclaimed.

All reclamation will leave the terrain with a natural shape, slopes will be no steeper than 3 to 1, subsoil will be used to fill the reserve pit, all compacted areas will be ripped ≥ 12 " deep with the contour, topsoil will be spread across all compacted areas and harrowed with the contour. A seed mix will be drilled as prescribed by BLM, BIA, or the Navajo Nation. Weeds will be controlled in accordance with BLM, BIA, or Tribal requirements.

11. SURFACE OWNER

All construction will be on Navajo Tribal surface. Tribal Project Review Office phone is (928) 871-6447. Address is P. O. Box 2249, Window Rock, Arizona, 86515.

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12. OTHER INFORMATION

The nearest hospital is a $\approx 1\text{-}1/4$ hour drive away in Monticello. It is 3 blocks northwest of the intersection of US 491 and US 163/191. Hospital phone number is (435) 587-2116. Or dial 1-800-332-1911 from anywhere in the county. Give the operator the latitude and longitude (see section plat (which is the second page of the APD)) of the well.

Chuck Yarbrough (BIA) and Charles Black (Permits West) conducted an on site inspection on June 13.

13. REPRESENTATION & CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 24th day of January, 2008.



Brian Wood, Consultant
Permits West, Inc.
37 Verano Loop, Santa Fe, NM 87508
(505) 466-8120

FAX: (505) 466-9682

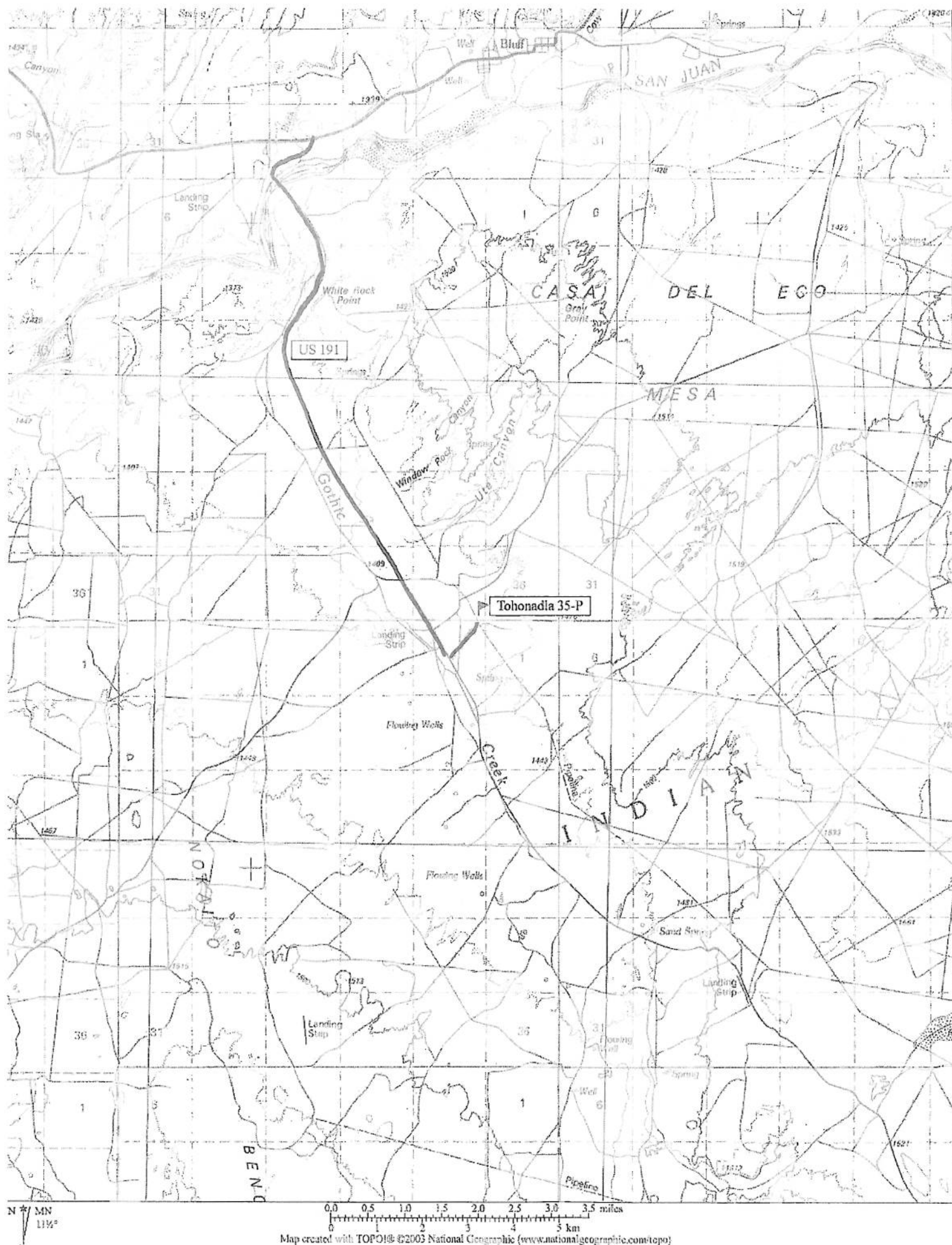
Mobile: (505) 699-2276

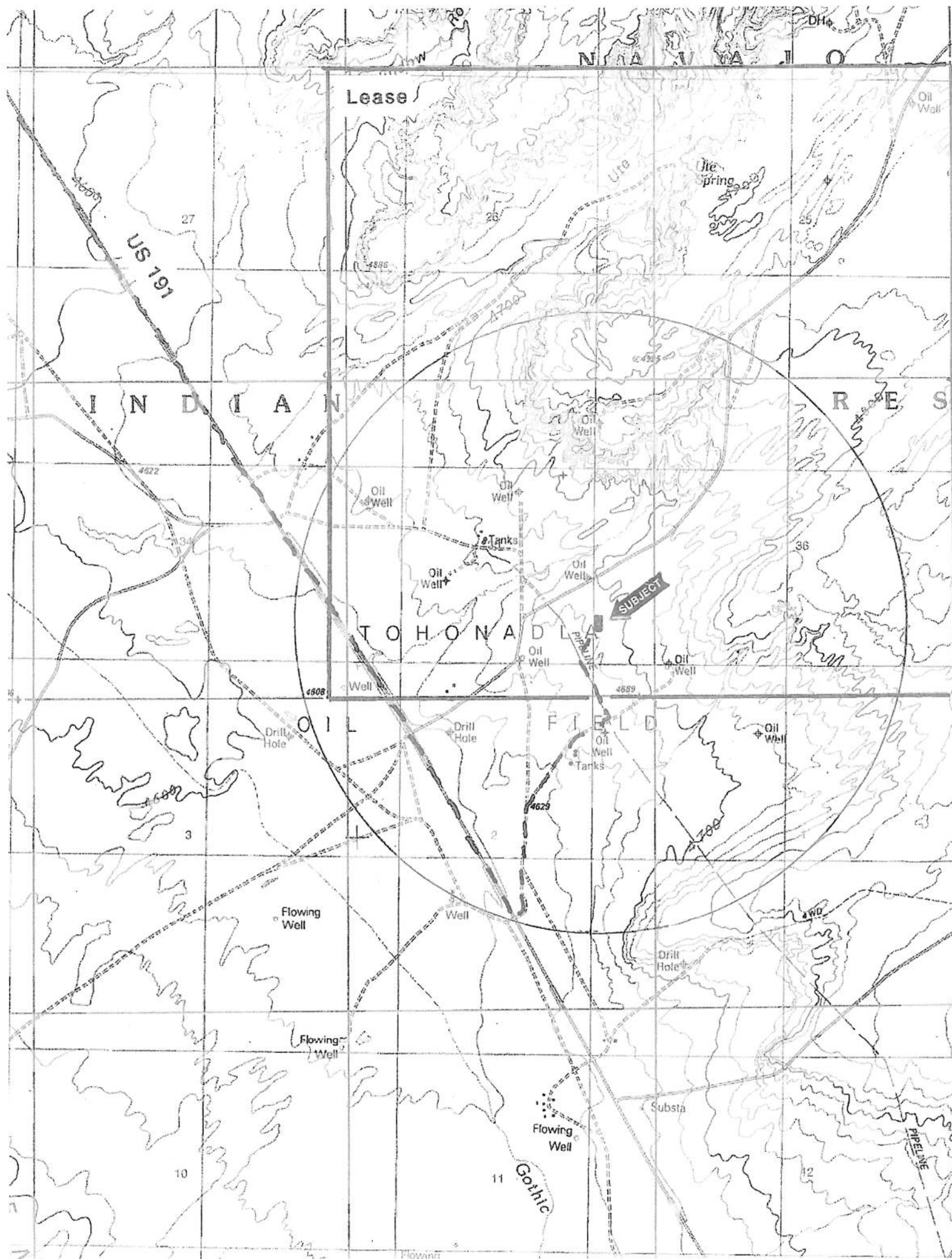
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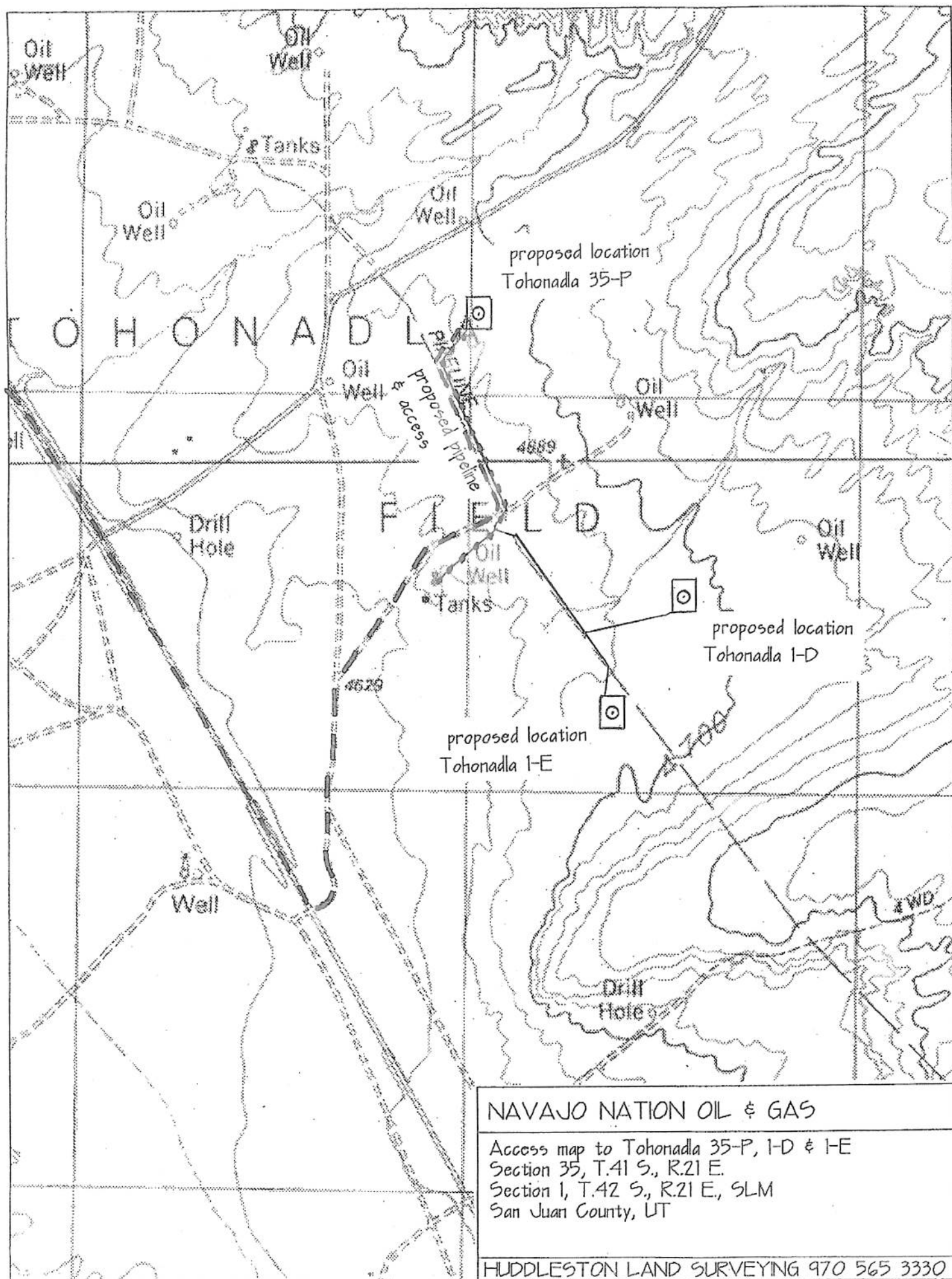
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The field representative will be:

Wilson Groen
Navajo Nation Oil & Gas Co., Inc.
P. O. Box 4439
Window Rock, AZ 86515
(928) 871-4880

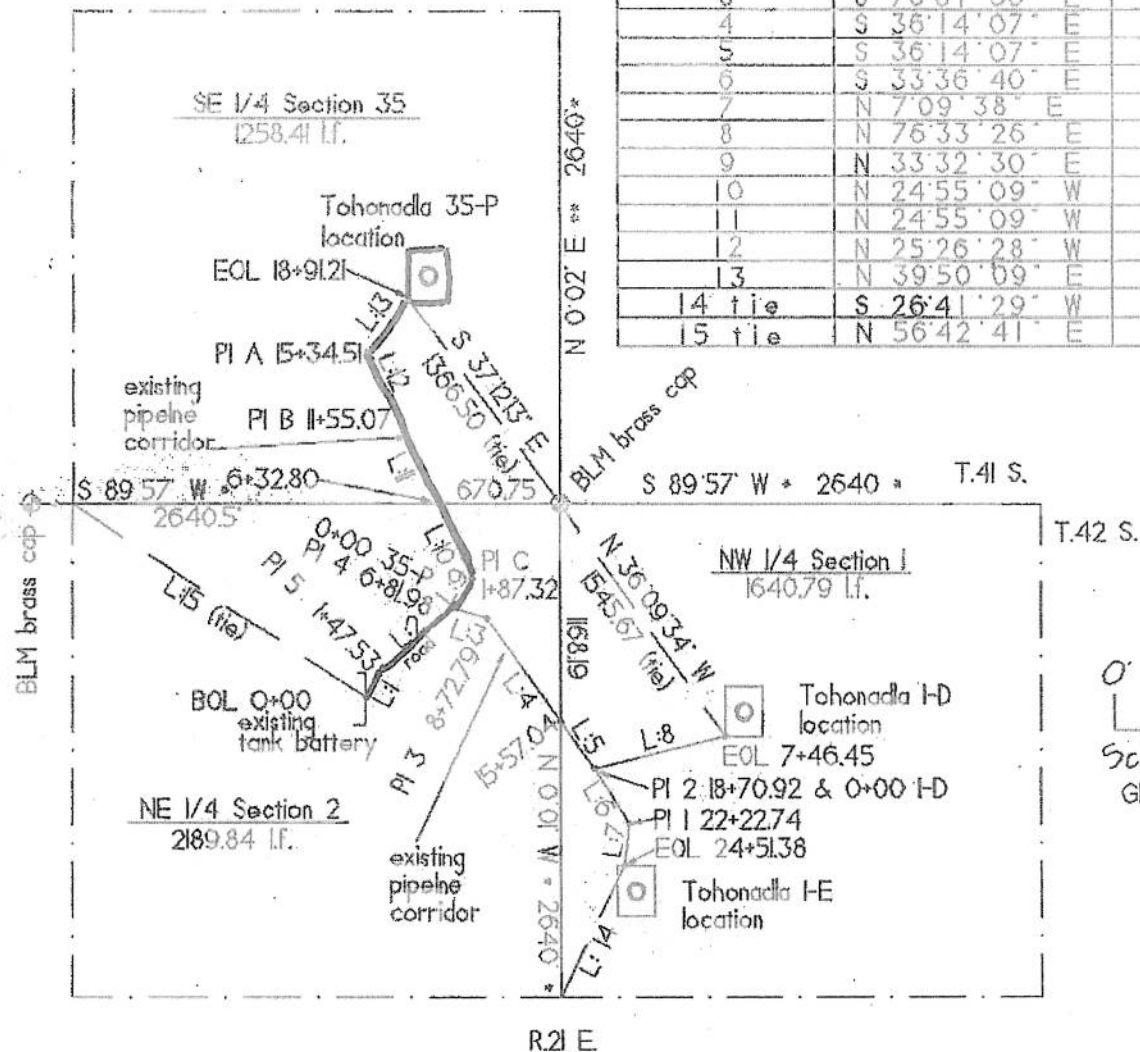






Description Data

LINE NO.	DIRECTION	LENGTH
1	N 29°06'02" E	147.53
2	N 49°26'04" E	534.45
3	S 73°01'36" E	190.81
4	S 36°14'07" E	684.25
5	S 36°14'07" E	313.88
6	S 33°36'40" E	351.82
7	N 7°09'38" E	228.64
8	N 76°33'26" E	746.45
9	N 33°32'30" E	187.32
10	N 24°55'09" W	445.48
11	N 24°55'09" W	522.27
12	N 25°26'28" W	379.44
13	N 39°50'09" E	356.70
14 tie	S 26°41'29" W	781.97
15 tie	N 56°42'41" E	1885.65



0' 1000'

Scale 1" = 1000'

GPS True North



KNOW ALL MEN BY THESE PRESENTS that I Gerald G. Huddleston, do hereby certify that this plat was prepared from field notes of an actual survey made by me or under my supervision and that the same is true and accurate to the best of my knowledge and belief.

Navajo Nation Oil & Gas

Proposed pipeline & access to:
Tohonadla I-D, I-E & 35-P
Section 1 & 2, T.42 S., R.21 E.
Section 35, T.42 S., R.21 E., SLM
San Juan County, UT

05 10 '07

HUDDLESTON LAND SURVEYING - POD KK, CORTEZ, CO 81321 - 970 565 3330

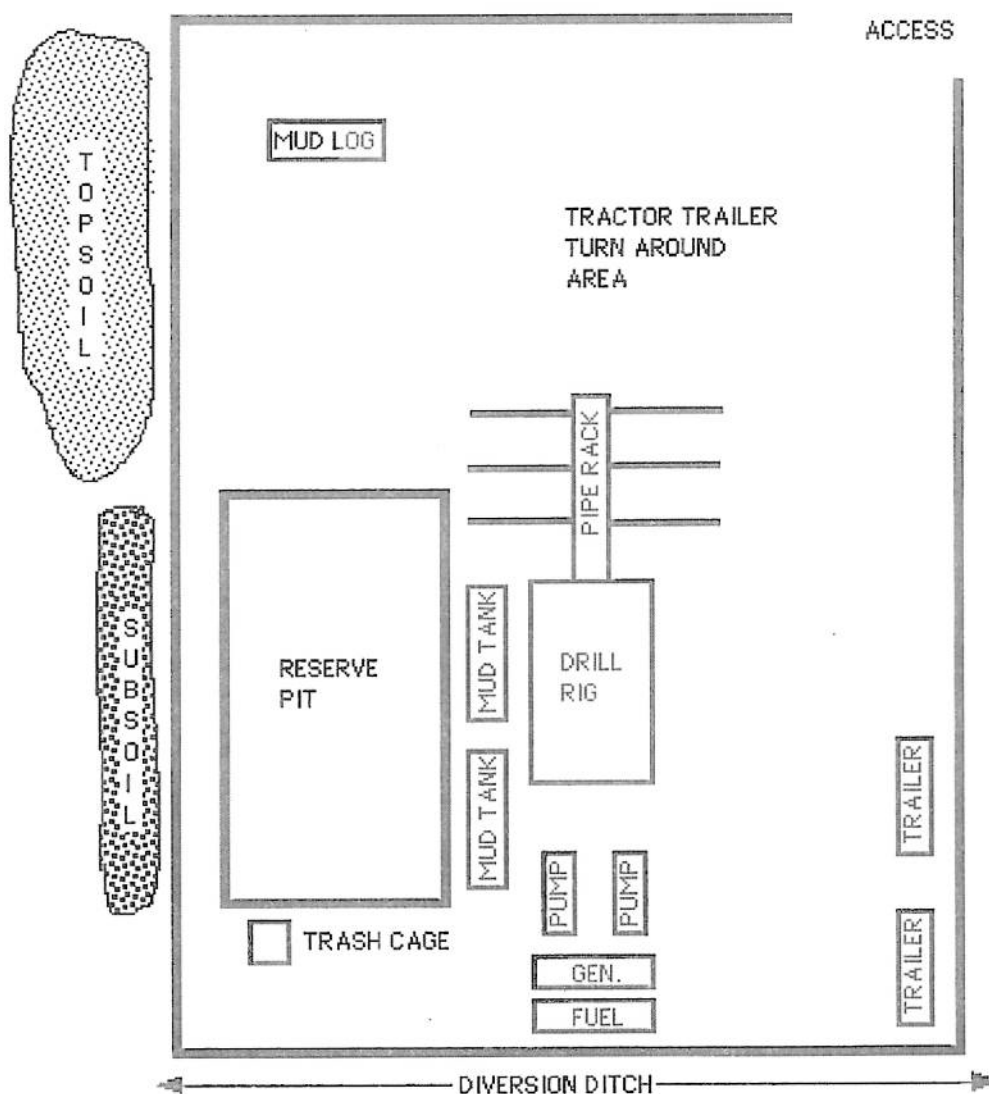
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1" = 50'

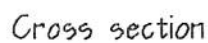


NORTH



front

85' South



**Hydrogen Sulfide (H₂S) Contingency Plan
For Navajo Nation Oil & Gas Co. Inc.'s**

Tohonadla 1-D

1119' FNL & 1017' FWL Sec. 1 T42S R21E

Tohonadla 1-E

2081' FNL & 417' FWL Sec. 1 T42S R21E

Tohonadla 35-P

1219' FSL & 722' FEL Sec. 35 T41S R21E

San Juan County, Utah

Navajo Nation Oil & Gas, Inc

Post Office Box 4439

Window Rock, Arizona 86515



PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87505 (505) 466-8120

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Checklist for Drilling, Workover, and Maintenance in H₂S Environment

1. Two safety briefing areas at least 100 yards from well head and arranged so that one briefing area will be upwind at all times. These sites should be located uphill whenever possible. (see Appendix 3.2)
2. Identify direction of prevailing winds (see Appendix 3.2)
3. At least two wind socks installed at all times
4. Primary and secondary emergency escape routes (flagged trail minimum)
5. Number, types, and storage location of H₂S emergency respirators for personnel, and number of personnel to be present onsite at any one time.
6. H₂S detector locations (3 minimum to include cellar or bell nipple and mud tanks at shale shaker). Type and location of visual and audible alarms to be used.
7. H₂S evacuation and emergency training procedures and schedule (i.e. Contingency Plan)
8. List of area residents within a two-mile radius, evacuation plan, and contact list (including agencies and individuals)
9. Types and quantities of mud additives and scavengers to be available at location for H₂S operations
10. Design features and operational procedures to be used to provide safe working environment (including a certification by the operator on the APD that all equipment meets standards for H₂S service)
11. Appropriate warning signs and flags on all access roads
12. Provisions for blocking and monitoring access to location during critical incident
13. Ventilation fan under rig floor
14. In event of uncontrolled blowout, designation of local official who has authority to ignite flow
15. Swabbing or drillstream fluids containing H₂S should be put through a separator to permit flaring of gas. Flare should have a continuous pilot light to ensure ignition of all such gas.

1.0 General

1.1 Description of Hydrogen Sulfide Gas

Hydrogen Sulfide (H_2S) is a colorless, transparent gas with a distinct and characteristic rotten-egg odor at low concentrations and not detectable by odor at high concentrations. H_2S at higher concentrations and/or over longer periods of exposure paralyzes the olfactory sense for that specific offer. The gas is extremely toxic to humans and can easily become dangerous and lethal. Extreme care and caution is needed to prevent injury and/or death. H_2S has a specific gravity of 1.192 which is heavier than air. It tends, therefore, to accumulate in low places. This collection of gas can lead to dangerous concentrations in areas such as arroyos and drainages. H_2S from "downhole" is often warmer than surface air and will therefore tend to rise and therefore affect workers above the escaping source. Hydrogen Sulfide is explosive and water soluble.

1.2 Toxicity

American National Standards Institute standard: Z37.2-1972 Acceptable Concentrations of Hydrogen Sulfide describes H_2S toxicity in this way: Hydrogen Sulfide is an extremely toxic and irritating gas. Free hydrogen sulfide in the blood reduces its oxygen-carrying capacity, thereby depressing the nervous system. Hydrogen sulfide is oxidized quite rapidly to sulfates in the body, therefore no permanent aftereffects occur in cases of recovery from acute exposures unless oxygen deprivation of the nervous system is prolonged. There is no evidence that repeated exposures to hydrogen sulfide result in accumulative or systemic poisoning. Effects such as eye irritation, respiratory tract irritation, slow pulse rate, lassitude, digestive disturbances, and cold sweats may occur but these symptoms disappear in a relatively short time after removal from the exposure. Odors become detectable in concentrations as low as .008 parts per million (ppm) (California studies) but the sense of smell is lost after 2-15 minutes at 100 ppm.

1.3 H₂S First Aid and Treatment Procedures

- Victim should be removed to fresh air immediately**
- If victim is not breathing, rescue breathing or artificial breathing should be started immediately
- Treat for shock; keep victim warm and comfortable
- Call ambulance and/or doctor, take victim immediately to emergency room or other healthcare facility

****The rescuer(s) should always wear personal protective equipment when attempting to rescue a H₂S victim. It is important to never increase the number of victims unnecessarily during a H₂S emergency.**

2.0 Hydrogen Sulfide H₂S Contingency Plan

2.1 Introduction

This plan provides required procedures to be followed to adequately provide for a safe H₂S working environment. These required procedures include safety procedures, precautionary measures, and training for emergency and standard procedures. This document sets forth the responsibilities of the operator and all individuals and entities under employment or contract with the operator working in a sour gas (H₂S) area.

To make this contingency plan effective and in order to provide a safe working environment, cooperation from all individuals is a necessity. To this end each person onsite must understand normal and emergency operating procedures for this site. Each individual onsite must have adequate information, training, and practice with the specific procedures described in this Contingency Plan. It is the responsibility of both the operator to provide adequate equipment, training, and procedures, as well as the individual "worker's" responsibility to participate fully in all H₂S procedures, to familiarize themselves with the location of all safety equipment and features, and to keep equipment and procedures in working order and up to date.

In order for Navajo Nation Oil & Gas, Inc. to provide a safe working environment for all "workers" and individuals in the vicinity of the well the safeguards are put in place. **Initiative lies with each and every individual for the safety of all. To this end the drilling foreman is required to and will enforce all safety procedures, for the benefit of all involved.**

2.2 Purpose

It is Navajo Nation Oil & Gas, Inc.'s intention to provide a safe working environment for all employees, contractors, and others involved with the drilling of its wells. There exists the possibility of encountering toxic H₂S gas during the construction, completion, and maintenance of the well. To such end, this H₂S contingency plan will be put into effect after surface casing is drilled or when it is deemed necessary by the BLM in consultation with Navajo Nation Oil & Gas, Inc.'s geologist and management.

Safety procedures are established for each person's safety connected with the operation and for the safety of the residents of the local area.

These procedures will be strictly enforced by Navajo Nation Oil & Gas, Inc.'s foreman. Noncompliance may result in loss of pay or dismissal from the sight, job, or employment.

2.3 Operating Procedures

Before this H₂S contingency plan is operational, all personnel that are to be involved with operation shall be thoroughly trained* in the proper use of breathing apparatus** (i.e. SCBAs and Escape Units), emergency procedures, and H₂S first aid and rescue methods. An approved list of trained personnel will be supplied by the safety company and stored with the drilling foreman.

*Required training for operation personnel will include, but not be limited to, H₂S safety course from an approved training company, safety briefing on drill site of all safety equipment use and locations before the start of work for each and every person onsite, safety related training in-place, on-site 1,000 feet before the first H₂S formation.

**Throughout this contingency plan breathing apparatus shall be understood as

- a) A Self-Contained Breathing Apparatus (SCBA) manufactured such as Scott Industrial c100 or similar.
- b) Or an emergency Escape Unit such as the Scott SCRAM or Elsa (or similar) often referred to as hip packs, hoods, or pony bottles.

The two types of breathing apparatus will be differentiated as a SCBA or an Escape Unit as required.

2.3.1 Safety Equipment

Personal H₂S monitors- Every person onsite will be required to wear a personal H₂S monitor at all times while onsite. Monitors will not be worn on hard hats, but should be worn on the waist belt or preferably near the chest in-front.

Breathing Apparatus- all personnel on the drill site will be assigned an individual breathing apparatus unit. This may be either an escape unit or a SCBA unit. A minimum of two SCBA type units will be onsite. These units will be used by the team whose duty it is to serve as the onsite rescue team.

Monitoring and Recording Devices-An experienced safety company (such as DXP Safety Alliance, Farmington, NM) will be responsible for the installation and monitoring of H₂S detectors placed on site. These units will be tested and recalibrated as the safety company requires. If H₂S is detected, the monitors will be tested and recalibrated at least every 12 hours. This monitoring system may or may not be integral to the required two stage alarm system on site. This two stage system (visual and audio) will have a minimum of three H₂S detector locations. Monitors will be located 1), in the cellar or on the bell nipple, 2), at the mud tanks' shale shaker, and 3), to be determined by the safety company. Visual (light) and audio (siren) will activate when H₂S concentrations reach 10 ppm.

First-Aid and rescue equipment-Stored on-site, but ideally up-hill and up-wind from H₂S sources a minimum of one "rescue pack" will contain at least:

- 1 backboard, straps, headblocks
- a set of cervical collars (s-xl)
- 1 bag valve mask
- 1 bottle of oxygen
- gauze and other standard first-aid items

suggested 1 AED (automatic external defibrillator).

Gas Monitor-An appropriate monitor should be on-site that can measure for LLE, VOC, and other explosive or hazardous gasses.

2.3.2 Safety Procedures

Cascade System- Every person required to perform duties within "safety zones" (see list below) will be provided with breathing equipment attached to a cascade air system. These areas are as follows

- rig floor
- mud pit
- derrick
- shale shaker
- mud hopper and bulk hopper
- all hazardous locations will be accessible by hose and work pack (SCBA)

Escape Routes- Two escape routes will be at a minimum flagged and kept clear at all times.

Safety Briefing Areas-Two safety briefing areas will be located at the end of escape routes (see above). The briefing areas will be clearly marked, up-hill, and located so that one site is always up wind. Please see attached site map for safety briefing areas in Appendix 3.4.

Safety, first-aid, and rescue equipment-Will be stored properly onsite using best practices. This will include proper maintenance and scheduled testing, inspection, and training/practice.

Service companies- All service companies will be briefed regarding potential hazards of the well site including the presence (or potential for) H₂S. These companies will be required to provide breathing apparatus and training to their employees. No service company personnel will be allowed onsite without meeting these requirements. In addition a safety briefing under the direction of the drill foreman regarding site specific H₂S procedures will be provided to each new personnel member reporting on-site.

Drills and practice- Drills reviewing all and any safety procedures including evacuation, rescue, and proper procedures to shut-in a well, and identify source of H₂S in instance of a leak will be practiced under the supervision of the safety company representative and company foreman. Proper use of breathing apparatus will be instructed during such drills. Drill schedule will be designed to familiarize new personnel with all safety procedures. Each crew should also be familiar with all operations. Drills should include a short work period in safety equipment.

Warning Signs- Warning signs will be posted at all access roads. "No smoking" signs will be posted at access points as well. Signs will be posted more than 200 feet and no more that 500 from well pad. When H₂S is present at 10 ppm or greater a red flag shall be displayed on the warning sign. Gates, road barricades, and/or gate guards will be used if necessary to prevent access during critical or hazardous situations.

Wind Socks- A minimum of two wind socks should be installed at locations easily observable from all work areas. If more than two windsocks are needed in order to allow "workers" at all times to easily identify the wind direction; more windsock will be installed.

Vehicle Parking- Vehicles should be parked 200ft from well site with their noses pointing away from the well site. Preferably vehicles will be located up hill and up wind from the well along the escape route.

Testing Fluids- Swabbing and testing fluids containing H₂S will be pass through a separator to permit flaring of the gas. There will be a pilot light in such instances.

Bug Blowers- Circulation will be provided by explosion proof electric fans to all critical locations when necessary.

Drills reviewing all and any safety procedures including evacuation, rescue, and proper procedures to shut-in a well, and identify source of H₂S in instance of a leak will be practiced under the supervision of the safety company representative and company foreman. Proper use of breathing apparatus will be instructed during such drills. Drill schedule will be designed to familiarize new personnel with all safety procedures. Each crew should also be familiar with all operations. Drills should include a short work period in safety equipment.

2.3.3 Working Conditions

Occupational Safety and Health Administration (OSHA) has set guidelines for Permissible Exposure Limits (PEL) This standard is to be considered the threshold **never to be exceeded** for the health and safety of all workers on this site. Ideally, exposure would never be this high.

2.3.3.1 Exposure Limits

OSHA Permissible Exposure Limit (PEL) for General Industry: 29 CFR 1910.1000 Z-2 Table -- Exposures shall not exceed 20 ppm (ceiling) with the following exception: if no other measurable exposure occurs during the 8-hour work shift, exposures may exceed 20 ppm, but not more than 50 ppm (peak), for a single time period up to 10 minutes.

OSHA Permissible Exposure Limit (PEL) for Construction Industry: 29 CFR 1926.55 Appendix A -- 10 ppm, 15 mg/m³ TWA (accessed via the internet at: http://www.osha.gov/dts/chemicalsampling/data/CH_246800.html#exposure on 19 July 2007)

The maximum exposure limit for an 8 hour day is less than 10 ppm.

2.4 H₂S Emergency Procedures

2.4.1 Incident

H₂S alarm system activation. Light and siren warnings or personal H₂S monitor activation for any one "worker."

2.4.2 Primary Emergency Procedure

- i. All rig crew personnel and all auxiliary personnel must **DON BREATHING APPARATUS IMMEDIATELY.**
- ii. Rig crew should mask up with SCBA type work packs preferentially
- iii. All auxiliary crew should move to safety briefing area, uphill and upwind.
- iv. All non-essential personal should continue to evacuate site.

2.4.3 Secondary Emergency Procedure

I. Supervisory Personnel

- i. Company Foreman
 - a. Proceed to cascade trailer and check for safe operation of cascade system
 - b. Proceed to active safety briefing areas and account for all personnel. If all personnel are not accounted for initiate appropriate search.
 - c. Return to drilling floor and supervise operations
- ii. Toolpusher
 - a. Proceed to cascade trailer and check if Company Foreman is operating cascade system safely. If NOT ensure safe operations of the cascade system.
 - b. Proceed to drilling floor and supervise operations. Make sure all crew members are accounted for and institute buddy system. If all personnel are not accounted for, initiate appropriate search.

II. Rig Crew

- i. Driller
 - a. if drilling

1. after donning breathing apparatus proceed to console and raise Kelly to slip set position

2. shut down mud pumps

3. monitor well flow, remain at console

4. using hand signals verify all personnel are at stations, verify company man and toolpusher's position, initiate search if well is not flowing

b. If tripping

1. after donning breathing apparatus put pipe in the slip-set position

2. stab safety valve, close safety valve

3. monitor well flow-remain at console

4. watch derrickman descend from derrick, verify all personnel locations, verify company man and toolpusher's position, initiate search if well is not flowing

c. if well is flowing

1. after donning breathing apparatus, shut well in HARD

2. verify all personnel locations, verify company man and toolpusher's position, initiate search if necessary

3. obtain necessary pressures for well control

4. Proceed to safety briefing area with crew, plan well control operations with all personnel

ii. Derrickman

a. after donning breathing apparatus, go to pit side window on the floor whether drilling or tripping (descend derrick)

b. maintain visual contact with driller and monitor flow

c. if mud properties are needed, then proceed to the shaker with "buddy"

d. monitor other hands on pit side of rig visually

e. proceed to open manual well-head if necessary (with "buddy")

- iii. Motorman
 - a. after donning breathing apparatus, go to the cascade system and ensure safe operation
 - b. maintain visual contact with chain hand on doghouse side of floor
- iv. Chainhand
 - a. after donning breathing apparatus, stab safety valve if tripping
 - b. go to doghouse/pipe-rack and maintain visual contact with driller and motorman
- v. Floorman
 - a. after donning breathing apparatus, stab safety valve if tripping
 - b. aid driller while maintaining visual contact with driller, derrickman, and chainhand

III. Auxiliary Personnel

- i. Mud engineer and Company man or geologist are to act as wardens. Wardens must account for all other auxiliary crew.
- ii. All auxiliary crew are to remain in safety briefing area unless evacuated by wardens.
- iii. Wardens organize search with notification from company. All searches are to be done with "buddy". Geologist warden should remain in safety briefing area.

2.4.4 Igniting the Well

I. Decision

- i. The Company Foreman holds the responsibility for the decision to ignite a well. In the case where he is incapacitated or absent authority passes to the toolpusher and then the contract driller
- ii. the decision to ignite the well is only to be made as a last resort safety measure when
 - a. there is threat human life and grave threat to public safety and equipment

b. there is no alternative way of containing the well given the emergency faced.

c. an attempt was made to contact area office (circumstances permitting)*

***when human life is threatened no delay in decision making can be afforded**

I. Instructions for Igniting the Well

- i. Two individuals are required for ignition
- ii. Both individuals will wear SCBAs and have 200 foot retrieval cords tied to there waists
- iii. One individual will measure the atmosphere for explosive gasses with appropriate meter.
- iv. The other individual will remain in the safety briefing area
- v. Others in the briefing area are to remain aware of both individuals and aid as able. If either tethered individual is overcome by gas, he should be pulled to safety.
- vi. The well should be lit with a 25 mm meterotype flare gun when well conditions allow. The safest method of igniting the well should always be used.
- vii. Burning H_2S will produce sulfur dioxide which is poisonous. The area, therefore is not safe once the well has ignited. Continue to observe all emergency procedures and follow orders from supervisors and the area office. Notice of incident should be reported to all appropriate authorities.

3.0 Appendices

3.1 Check List for Safety Equipment (designed for a maximum of 11 people)

- ☐ Safety Trailer housing cascade system at least ten 300 cu. ft. bottles of compressed air
- ☐ 7 SCBA type breathing apparatus with 45 cu. ft. bottles
- ☐ 5 breathing masks connected to the cascade system with 7 cu. ft. pony bottles
- ☐ 2 extra 300 cu. ft. bottles able to refill SCBA bottles to be placed at the safety briefing areas
- ☐ 2 Wind socks
- ☐ 1 Flare gun and flares
- ☐ 1 rescue pack (as described in section 2.3.1)
- ☐ Warning signs for access (flags for marking conditions)
- ☐ "Safety Briefing Area" signs, evacuation route flags
- ☐ H₂S monitors (personnel and stationary)
- ☐ Alarm system (audio and visual—explosion proof)
- ☐ Gas Monitor

3.2 Emergency Phone Numbers

Navajo Nation Oil & Gas Company Personnel to be Notified

Wilson Groen	President	Office: (928) 871-4880 Cellular: (505) 879-6483 Direct (928) 871-8501
Rich Ferris	Cell: 303-618-2925	Home: 303-693-9207
Sam Butler	Cell: 303-888-8920	Home: 303-329-9418
Sallie Tippie	Cell: 303-884-8875	Home: 303-331-8695

Safety Company Personnel

(Name)	(Position)	(Number work) (Number home)
(Name)	(Position)	(Number work) (Number home)

Local Agencies

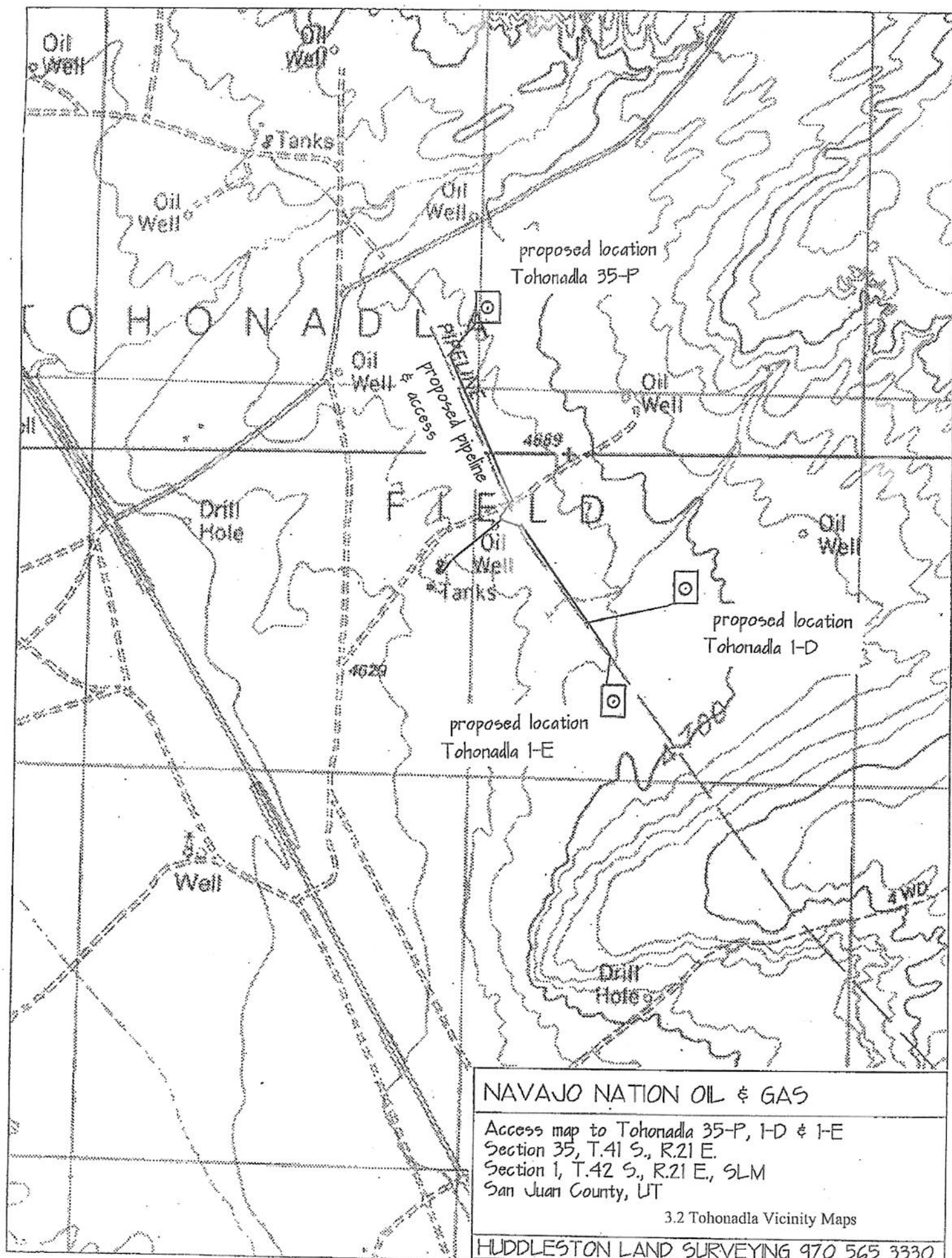
San Juan County Fire Department	(Monticello)	911 (435) 587-3225
San Juan County Sheriff (Monticello)		911 (435) 587-2237
San Juan County Emergency Management (Monticello)		(435)-587-3225
Blanding Medical Center 804 North 400 West, Blanding, UT		(435) 678-2254
San Juan Hospital 364 West 100 North, Monticello, UT		(435) 587-2116
Navajo Nation Police (Montezuma Creek)		(505) 368-1350
(Monument Valley)		(505) 325-0022

Other Government Agencies

National Response Center		800-424-8802
BLM	Monticello Field Office	(435) 587-1500
	Jeff Brown	(435) 587-1525

	Mobile	(435) 459-4886
	Field Manager	(435) 587-1505
BLM	Farmington Field Office	(505) 599-8900
	Emergency line	(505) 599-8907
	Jim Lovato	(505) 599-6367
BIA, Window Rock	Bertha Spencer	(928) 871-5938
Utah Division of Oil, Gas and Mining (SLC)		
	During Office Hours	(801) 538-5340
	After Hours	(801) 243-9466
Utah State Emergency Response Commission		(801) 536-4123
Utah Highway Patrol (Monticello)		(435) 587-2000
Mexican Water Chapter House		(928) 674-3641
Red Mea Chapter House		(928) 656-3655
Utah Health Department (Price)		(435) 637-3671
US EPA Region 8 (Denver)		(800) 227-8917
Navajo Nation Minerals Dept. (Window Rock, AZ)		(928) 871-6587
Veterinarian	Angel Peak Vet. Hospital (Farmington)	(505) 632-3561
Veterinarian	Farmington Veterinary Clinic	(505) 325-7462
Veterinarian	Watkins, Clyde H. DVM	(435) 678-2414
Helicopter	New Air Helicopters (Durango)	(970) 259-6247
Helicopter	Heli NM (Albuquerque)	(866) 995 1058
Blanding Air Ambulance		(800) 742-8787
Classic Aviation		(800)-444-9220 ext 5

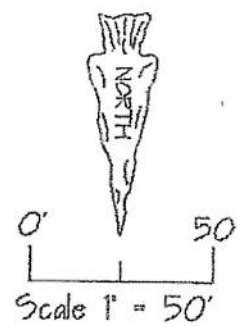
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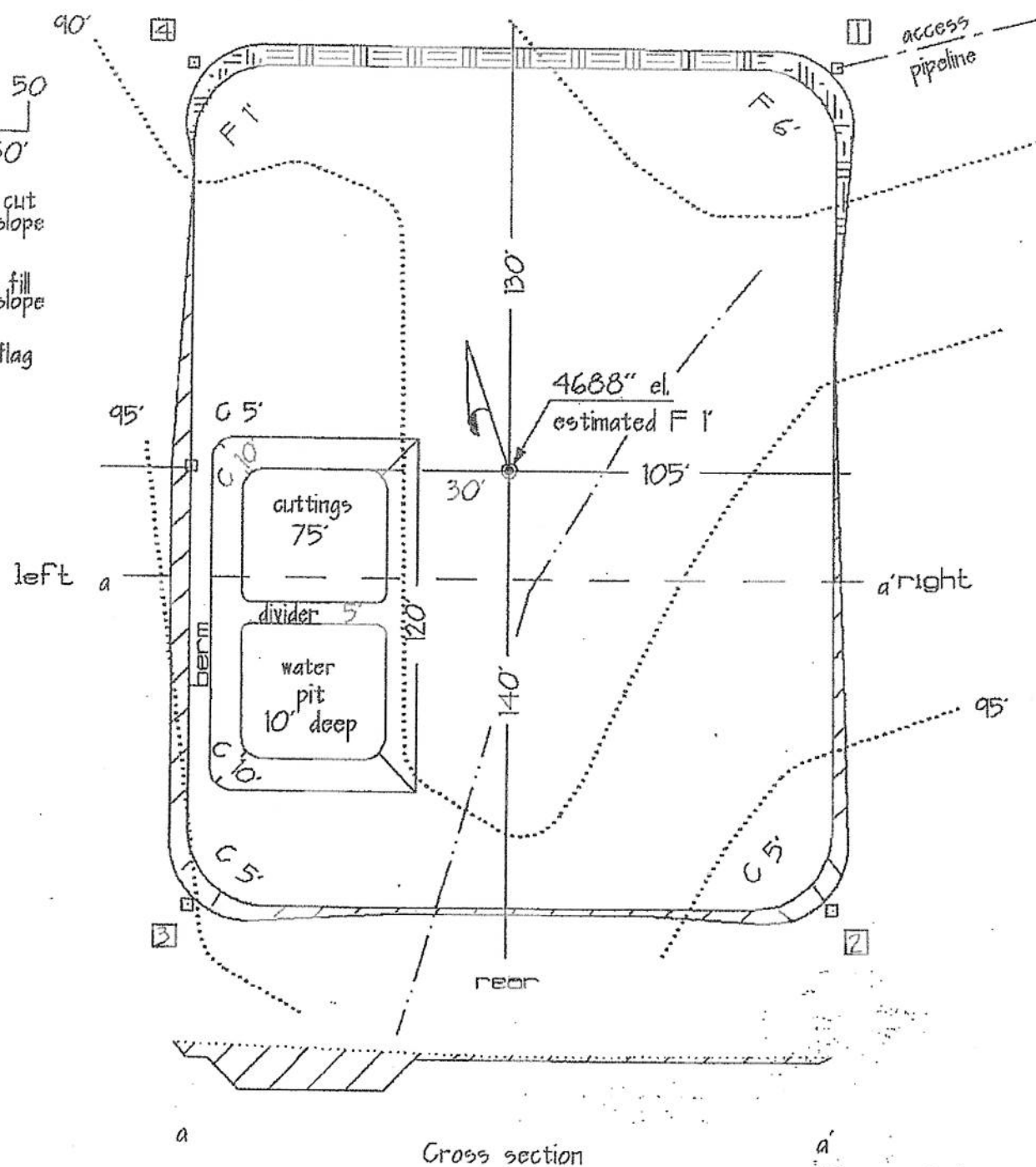
Tohonadla 35-P
well pad & section

front

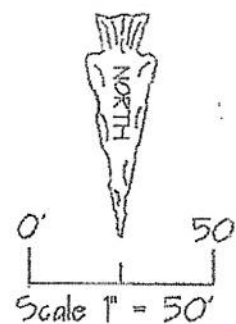
85' South



- cut slope
- fill slope
- stake/pin flag



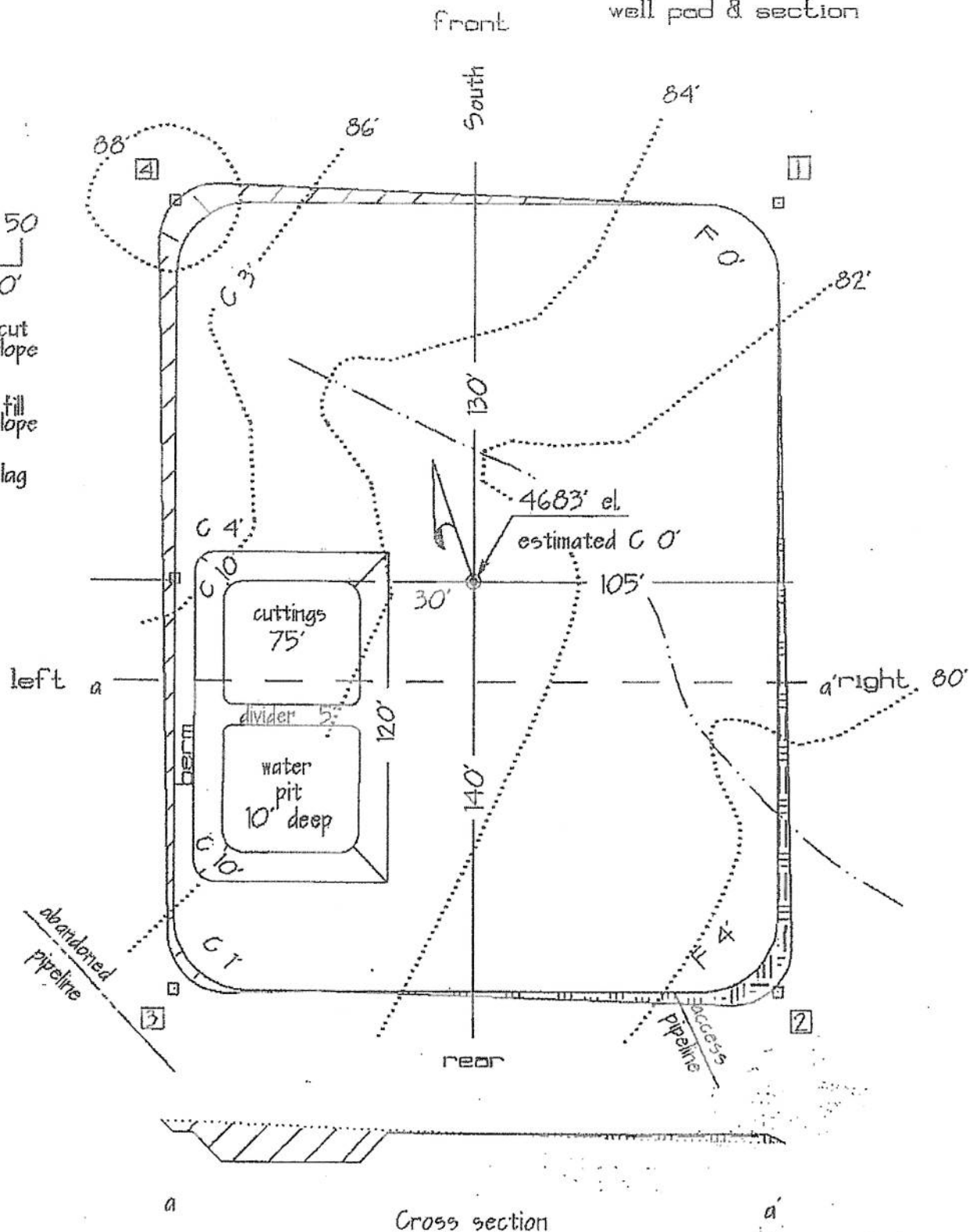
Tohonadla 1-E
well pad & section



cut slope

fill slope

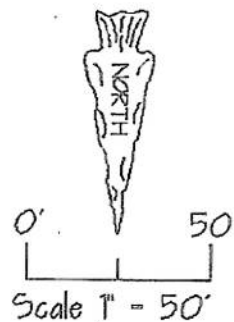
stake/pin flag



Tohonadla I-D
well pad & section

front

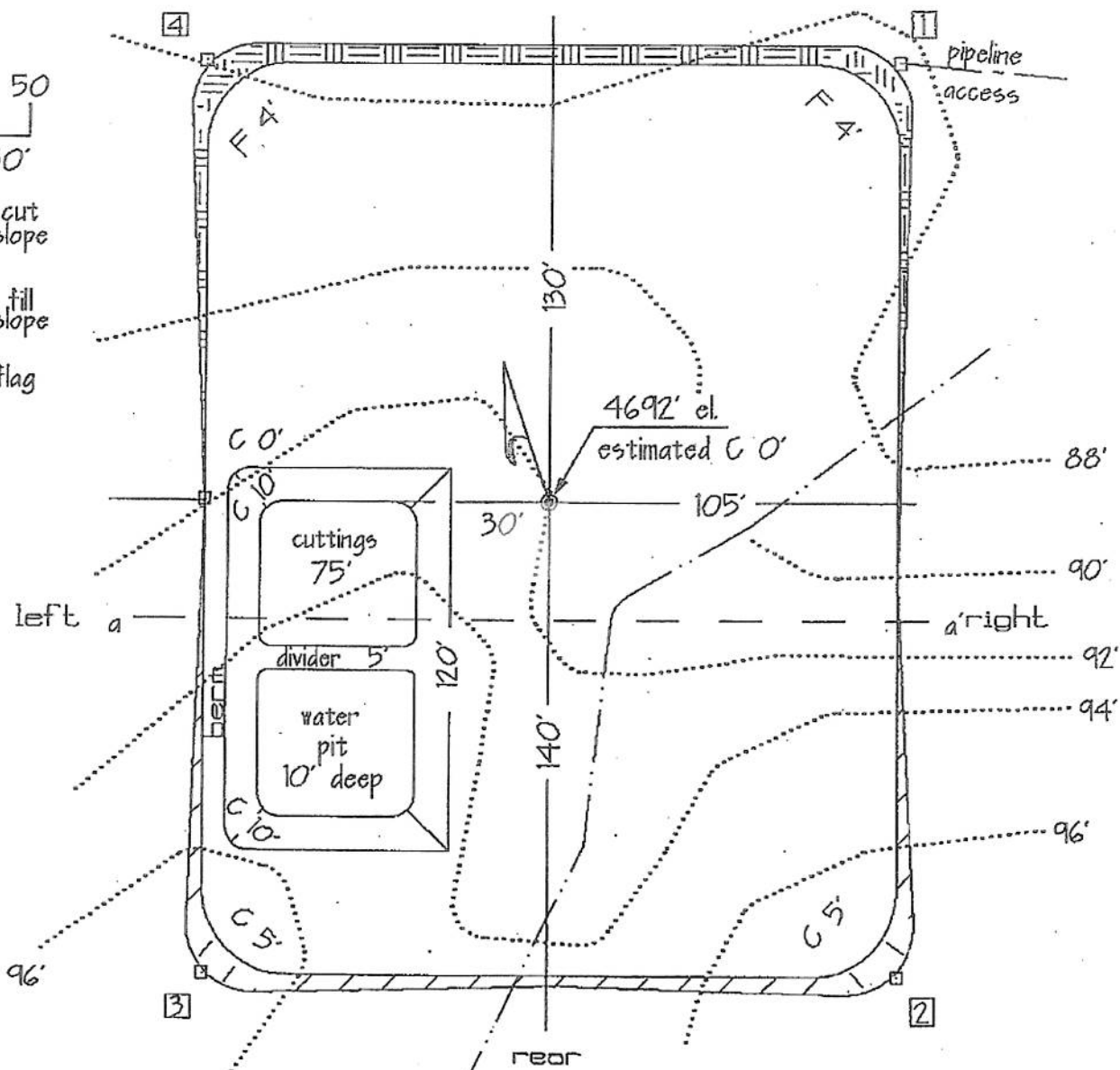
South



cut slope

fill slope

stake/pin flag



a

Cross section

a'

Proposed Tohonadla Wells

Navajo Nation
Oil & Gas Co. Inc.

Sec. 35 T. 41 S., R. 21 E.

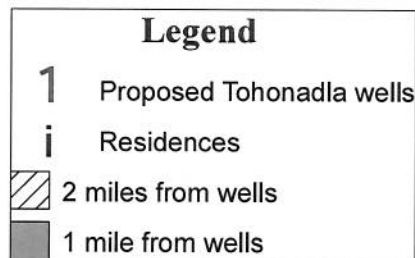
Sec. 01 T. 42 N., R. 21 E.

San Juan County, Utah



Local Residences Contingency Map

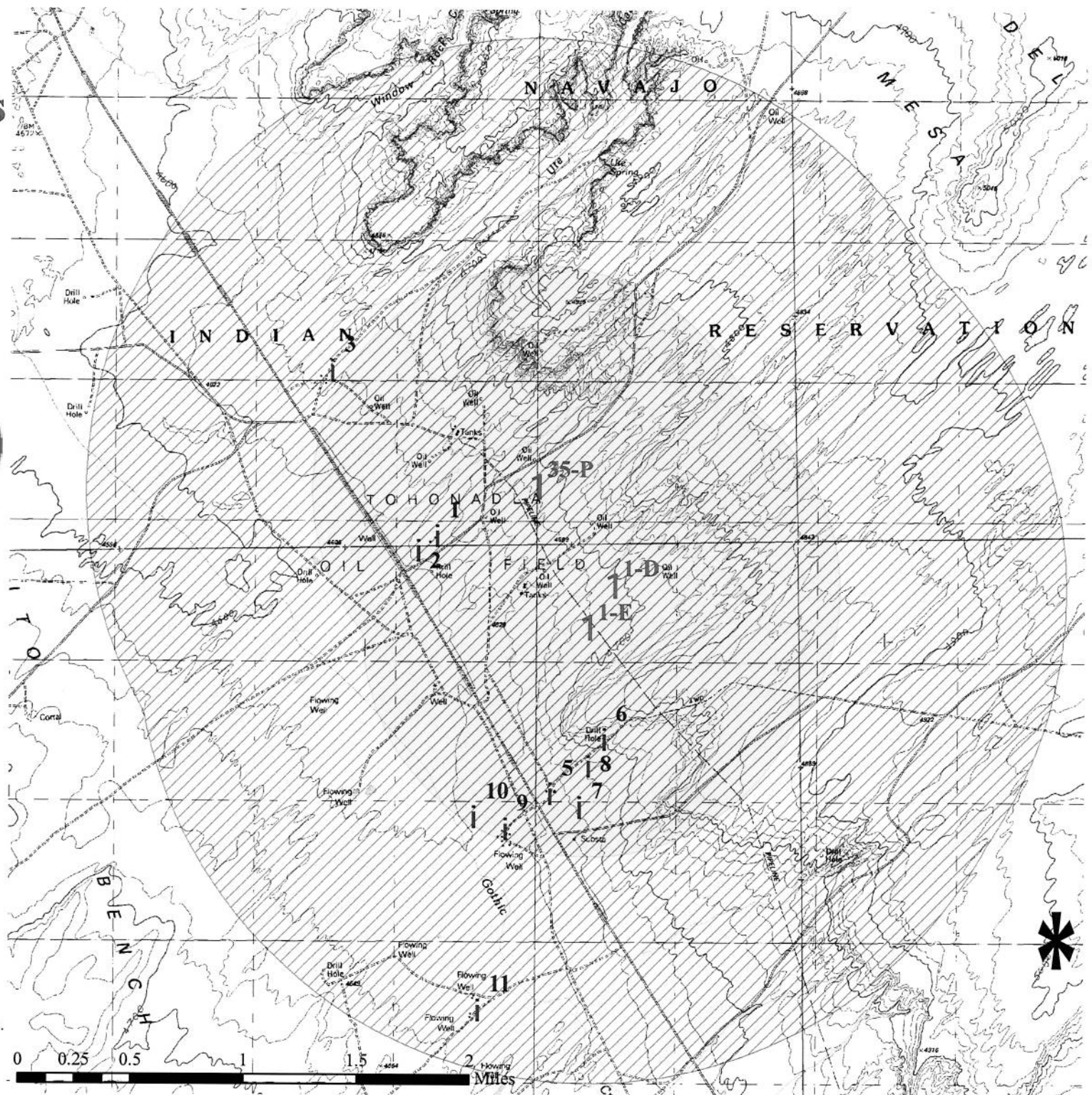
Prevailing Winds
From the Southwest



15 January 2008

PERMITS WEST, INC.
PROVIDING PERMITS FOR LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87505 (505) 466-8120

3.2 Local Residences Map



Proposed Tohonadla Wells

Navajo Nation
Oil & Gas Co. Inc.

Sec. 35 T. 41 S., R. 21 E.

Sec. 01 T. 42 N., R. 21 E.

San Juan County, Utah



Local Residences Contingency Map

Prevailing Winds
From the Southwest

Legend	
	Proposed Tohonadla wells
	Residences
	2 miles from wells
	1 mile from wells

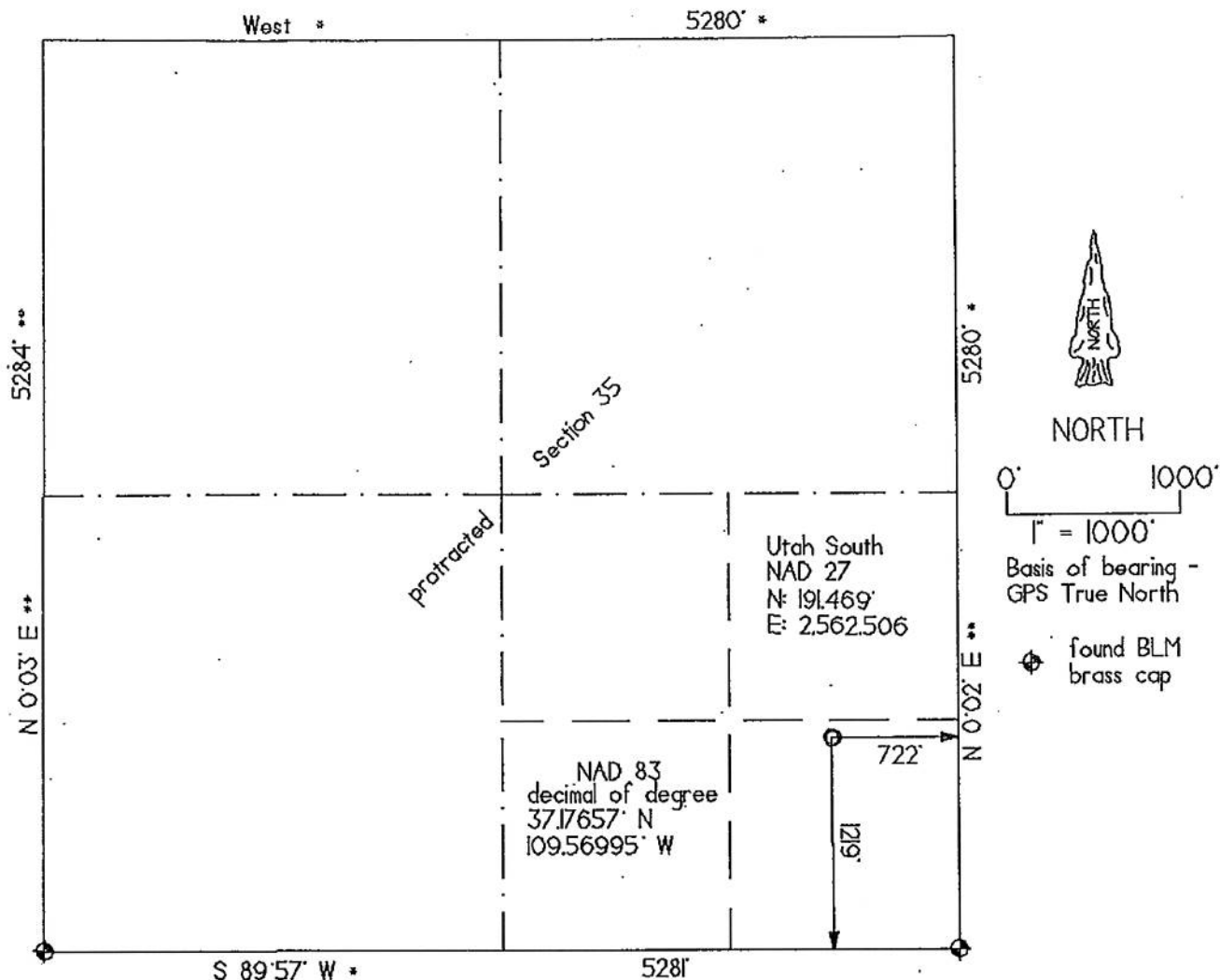
15 January 2008

PERMITS WEST, INC.
PROVIDING PERMITS FOR LAND USERS
5700 W. 1st Ave., Suite 100, Fort Worth, TX 76102 (817) 499-8120

3.2 Local Residences Key

ID	Name	Phone	Comments
1	Julias Stash	NO	1 beige house, 1 white single wide trailer, 1 hogan
2	Betty Stash	NO	1 light blue house
3	n/a	n/a	2 double wide beige trailers, 1 green house, 1 faded blue house
4	n/a	n/a	1 beige house, 1 gray trailer, 1 small metal building
5	n/a	n/a	1 large tan building (a child development center), 1 white single wide
6	n/a	n/a	1 tan house, small brown trailer
7	n/a	n/a	1 large gray and brown trailer
8	n/a	n/a	1 very large brown house
9	Tom Tsosie Boy	NO	Very large compound- 1 tan trailer, 1 brown double wide, 1 yellowish house, 3 hogans, 1 small brown house, 1 log cabin shed
10	Jean and James Benally	435.459.9975	1 white double wide
11	n/a	n/a	1 yellow house, 1 blue house, 1 white double wide, 1 small white house, 2 hogans, 1 log cabin shed

Well Location Plat



Well Location Description

NAVAJO NATION OIL & GAS CO. INC.
TOHONADLA 35-P
1219' FSL & 722' FEL
Section 35, T.41 S., R.21 E., SLM
San Juan County, UT
4688' grd. el. (from GPS)



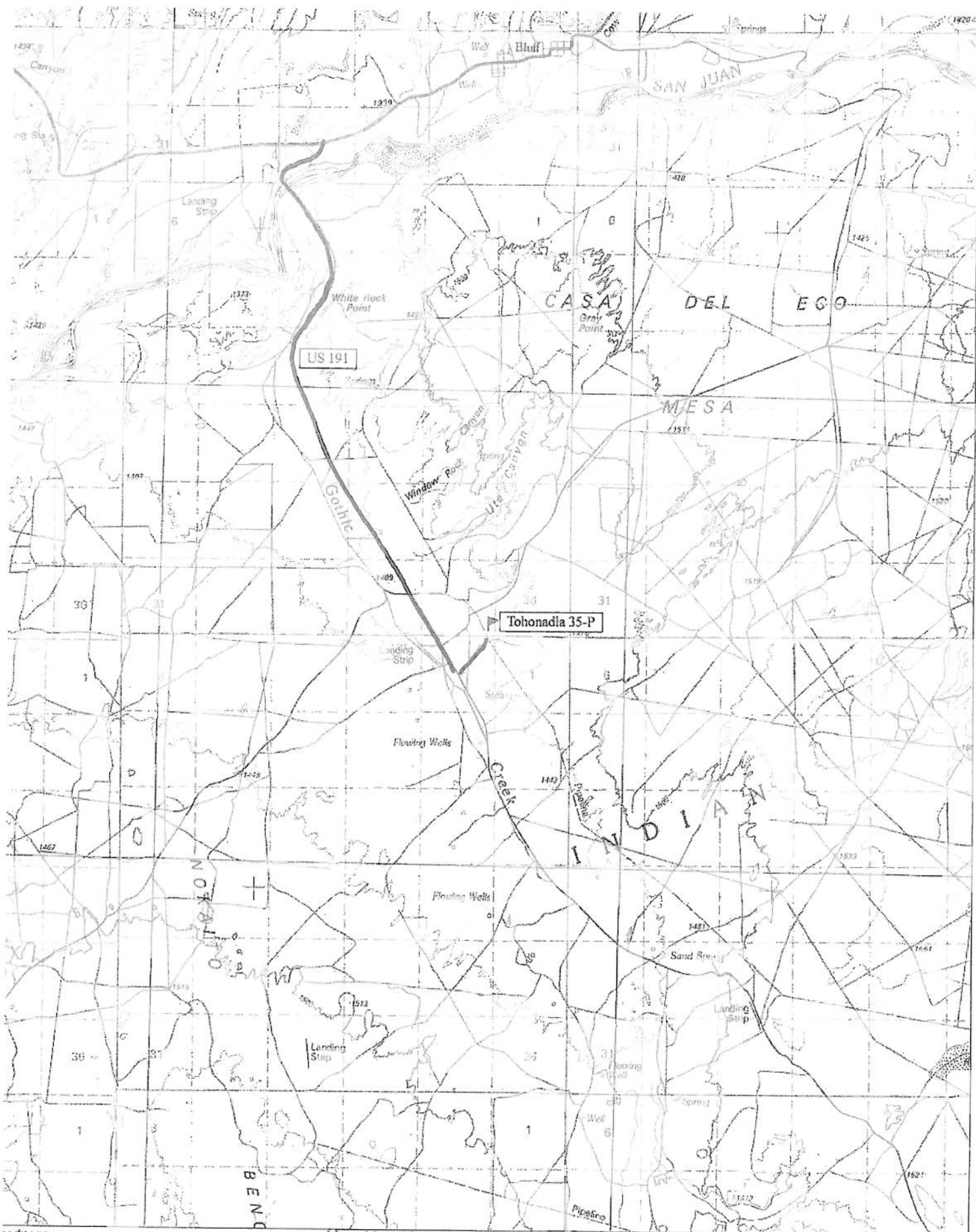
rev: 05/18/07

Gerald G. Huddleston, LS

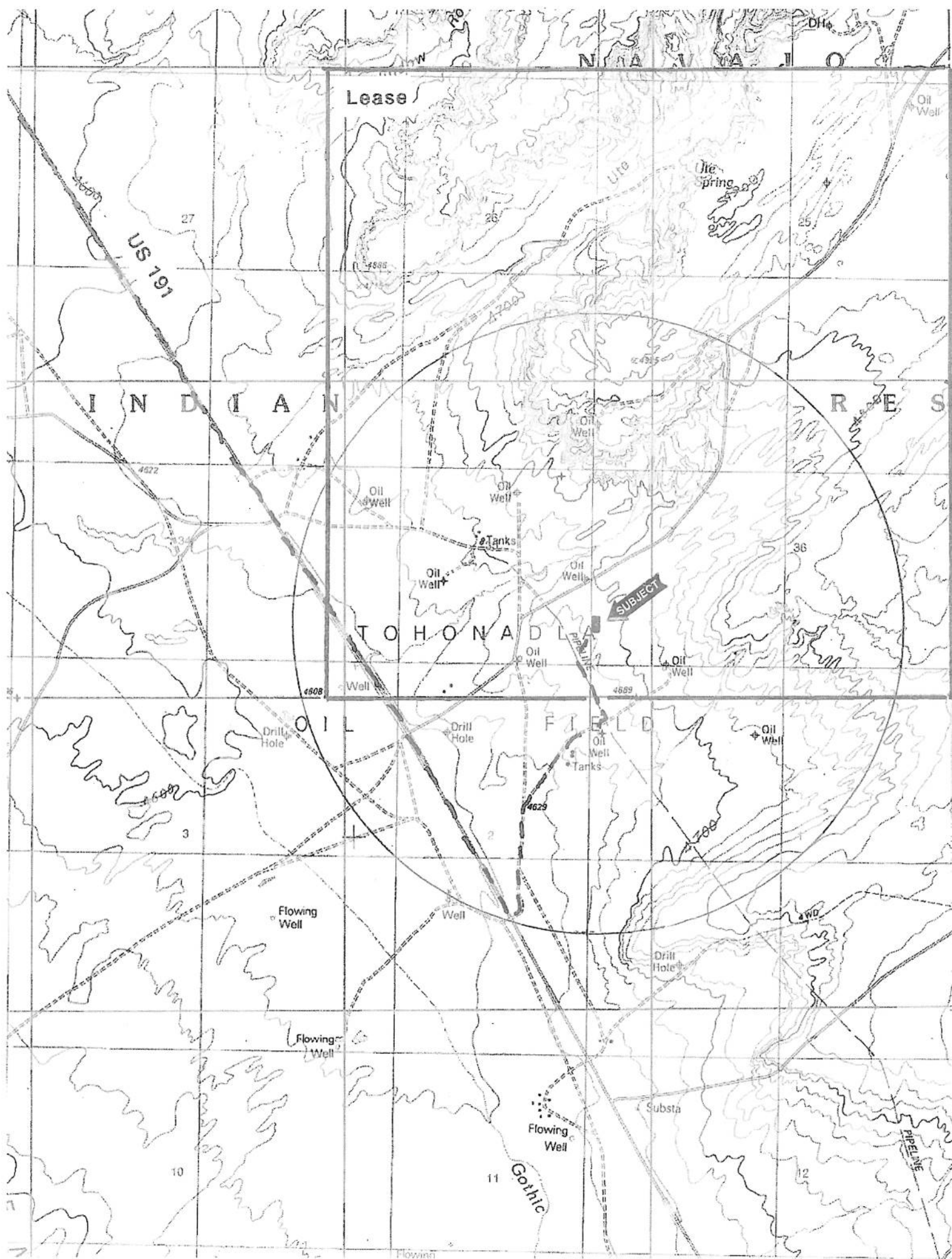
The above is true and correct to my knowledge and belief.

HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330

Appendix 1-2



0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles
0 1 2 3 4 5 km
Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



API Number: 4303750005

Well Name: TOHONADLA 35-P

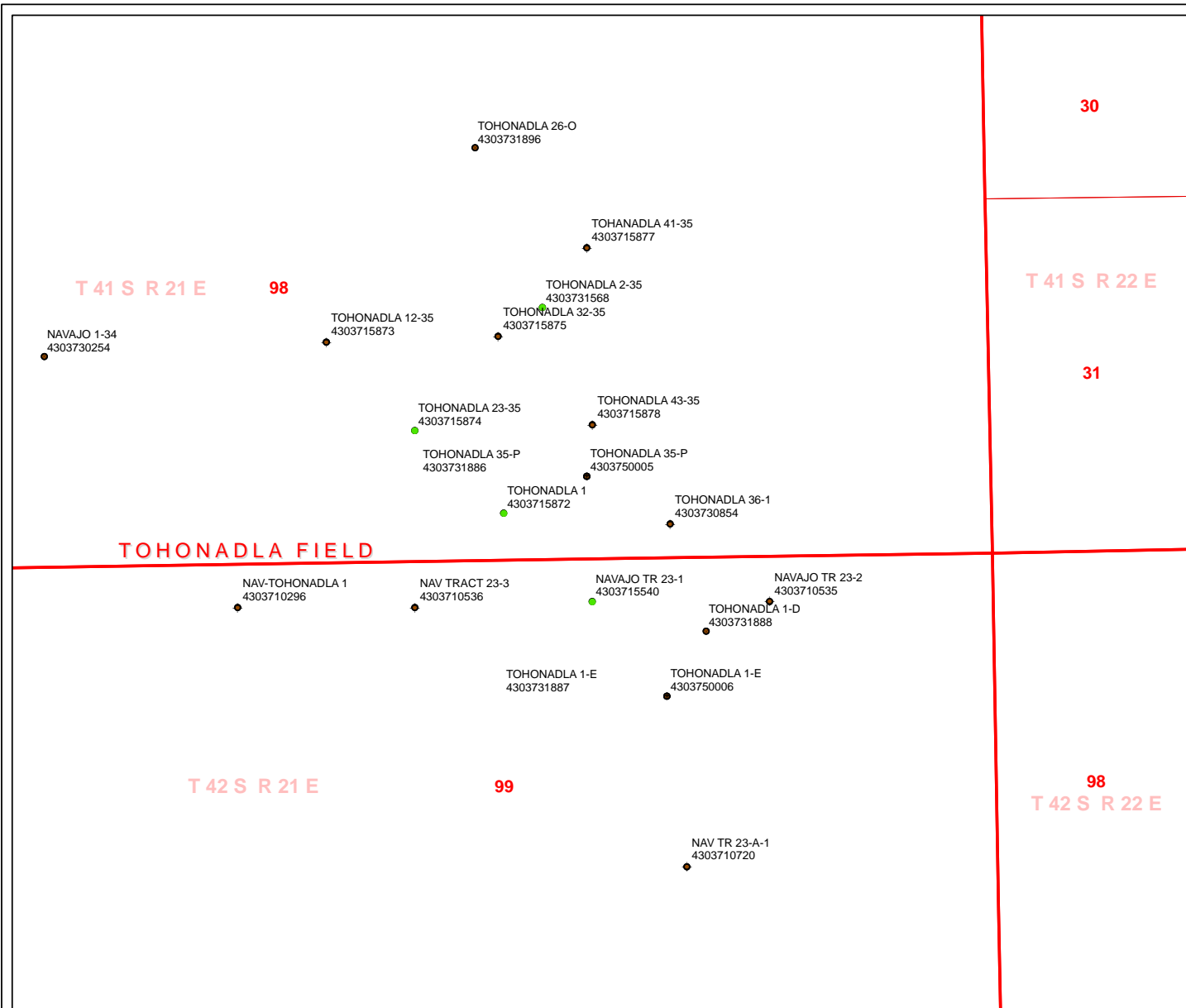
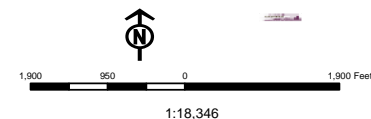
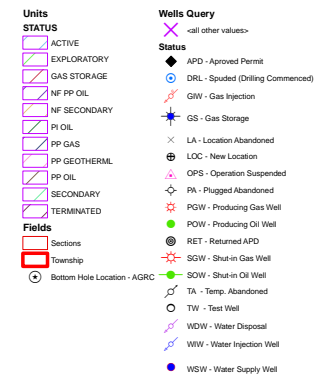
Township 41.0 S Range 21.0 E Section 35

Meridian: SLBM

Operator: NAVAJO NATION OIL & GAS CO

Map Prepared:

Map Produced by Diana Mason



RECEIVED

FEB 05 2008

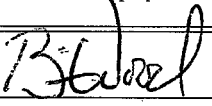
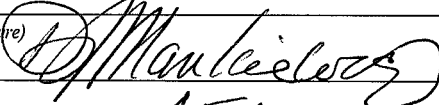
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Bureau of Land Management
Farmington Field Office

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 14-20-603-229
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NAVAJO NATION
2. Name of Operator NAVAJO NATION OIL & GAS CO., INC.		7. If Unit or CA Agreement, Name and No. N/A
3a. Address P. O. BOX 4439 WINDOW ROCK, AZ 86515	3b. Phone No. (include area code) (928) 871-4880	8. Lease Name and Well No. TOHONADLA 35-P
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1219' FSL & 722' FEL At proposed prod. zone SAME		9. API Well No. 43-037- 31886
14. Distance in miles and direction from nearest town or post office* 8 AIR MILES SOUTH OF BLUFF, UT		10. Field and Pool, or Exploratory TOHONADLA Desert Creek
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1,219'		11. Sec., T. R. M. or Blk. and Survey or Area 35-41S-21E SLM
16. No. of acres in lease 2,560	17. Spacing Unit dedicated to this well SESE 40 ac	12. County or Parish SAN JUAN
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,376' (Tohonadla 1)	19. Proposed Depth 6,850'	13. State UT
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,688' GL This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4	22. Approximate date work will start* 03/01/2008	23. Estimated duration 5 WEEKS
24. Attachments DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form: "GENERAL REQUIREMENTS".

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) BRIAN WOOD	Date 01/24/2008
Title CONSULTANT	PHONE: (505) 466-8120	FAX: (505) 466-9682
Approved by (Signature) 	Name (Printed/Typed) AEM	Date 1/19/09
Title AEM	Office PFO	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

H₂S POTENTIAL EXIST

NMOC - Utah

RECEIVED

NOV 23 2009

DIV. OF OIL, GAS & MINING

Well Location Plat

RECEIVED

FEB 05 2008

Bureau of Land Management
Farmington Field Office



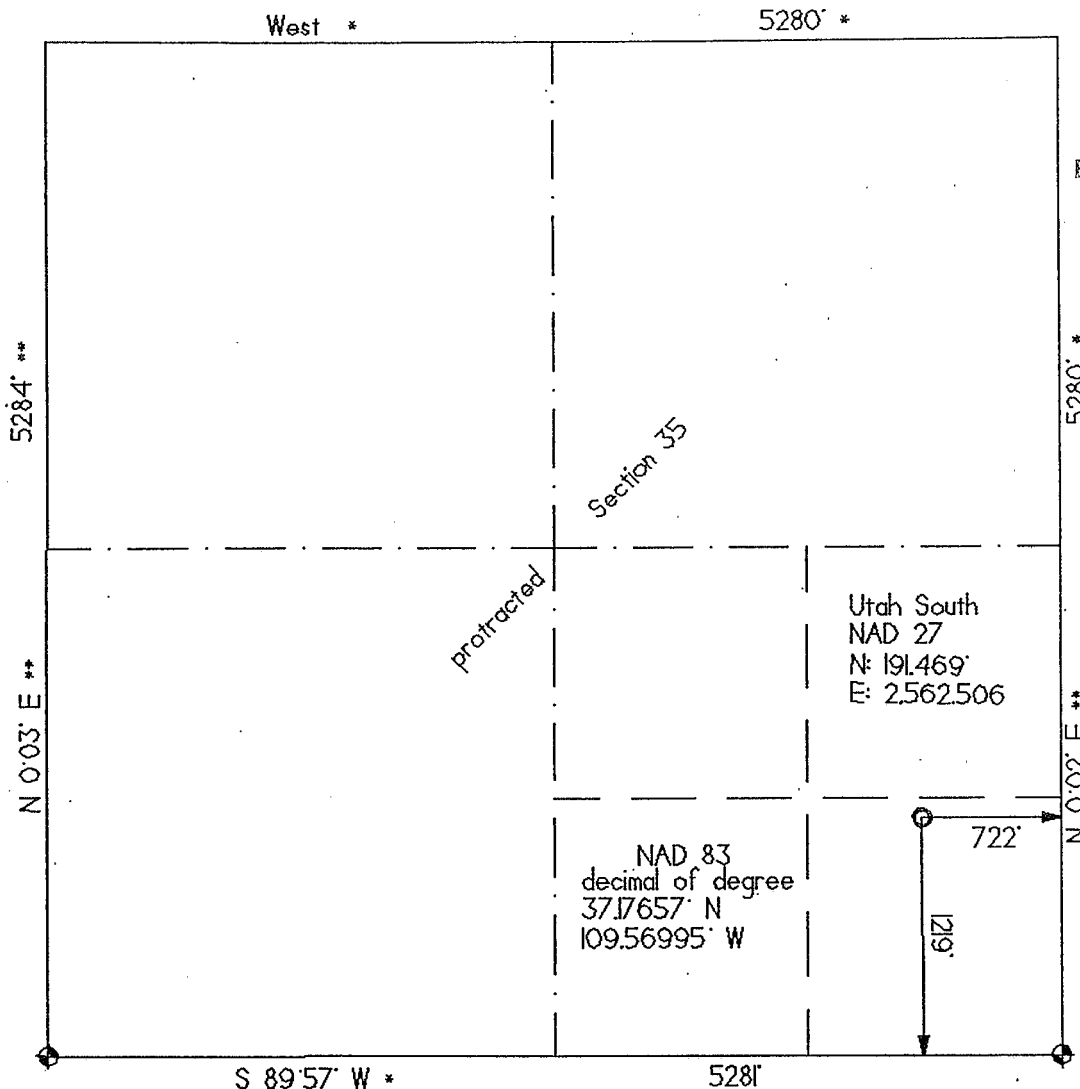
NORTH

0' 1000'

1" = 1000'

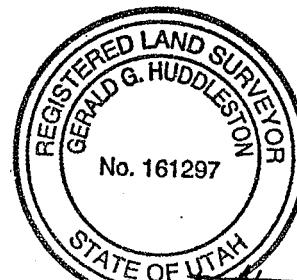
Basis of bearing -
GPS True North

found BLM
brass cap



Well Location Description

NAVAJO NATION OIL & GAS CO. INC.
TOHONADLA 35-P
1219' FSL & 722' FEL
Section 35, T.41 S., R.21 E., SLM
San Juan County, UT
4688' grd. el. (from GPS)



rev: 05/18/07

Gerald G. Huddleston
Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330

Navajo Nation Oil & Gas Co., Inc.
Tohonadla 23-P
1219' FSL & 722' FEL
Sec. 35, T. 41 S., R. 21 E.
San Juan County, Utah

PAGE 1

Drilling Program

1. FORMATION TOPS

The estimated tops of important geologic markers are:

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Carmel Sandstone	0'	15'	+4,688'
Navajo Sandstone	273'	288'	+4,415'
Kayenta Sandstone	633'	645'	+4,055'
Wingate Sandstone	663'	678'	+4,025'
Chinle Shale	1,123'	1,138'	+3,565'
Shinarump Sandstone	1,683'	1,698'	+3,005'
Moenkopi Sand & Mud Stones	1,938'	1,953'	+2,750'
DeChelly Ss/Mdst/Shale	2,098'	2,113'	+2,590'
Organ Rock Shale/Sltst/Ss	2,301'	2,316'	+2,387'
Lower Cutler Sltst/Ss/Shale	3,023'	3,038'	+1,665'
Honaker Trail Ls/Sltst/Shale	4,063'	4,078'	+625'
Paradox Ls/Sltst/Marls/Shale	4,615'	4,630'	+73'
Ismay Ls/Dolo/Marls/Shale	4,912'	4,927'	-224'
Lower Ismay Ls/Dolo/Marls/Shale	4,998'	5,013'	-310'
Desert Creek Ls/Dolo/Marls/Shale	5,083'	5,098'	-395'
Akah Ls/Dolo/Anhy/Shale	5,283'	5,298'	-595'
Barker Creek Ls/Dolo/Anhy/Shale	5,470'	5,485'	-782'
Pinkerton Trail Ls/Dolo/Anhy/Shale	5,700'	5,715'	-1,012'
Molas Mudst/Slt/Ls/Shale	5,888'	5,913'	-1,200'
Leadville Limestone/Dolomite	6,063'	6,068'	-1,375'
Total Depth (TD)	6,850'	6,865'	-2,162'

2. NOTABLE ZONES

Desert Creek and Ismay oil production is the primary goal. Upper Leadville oil

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San Juan County, Utah

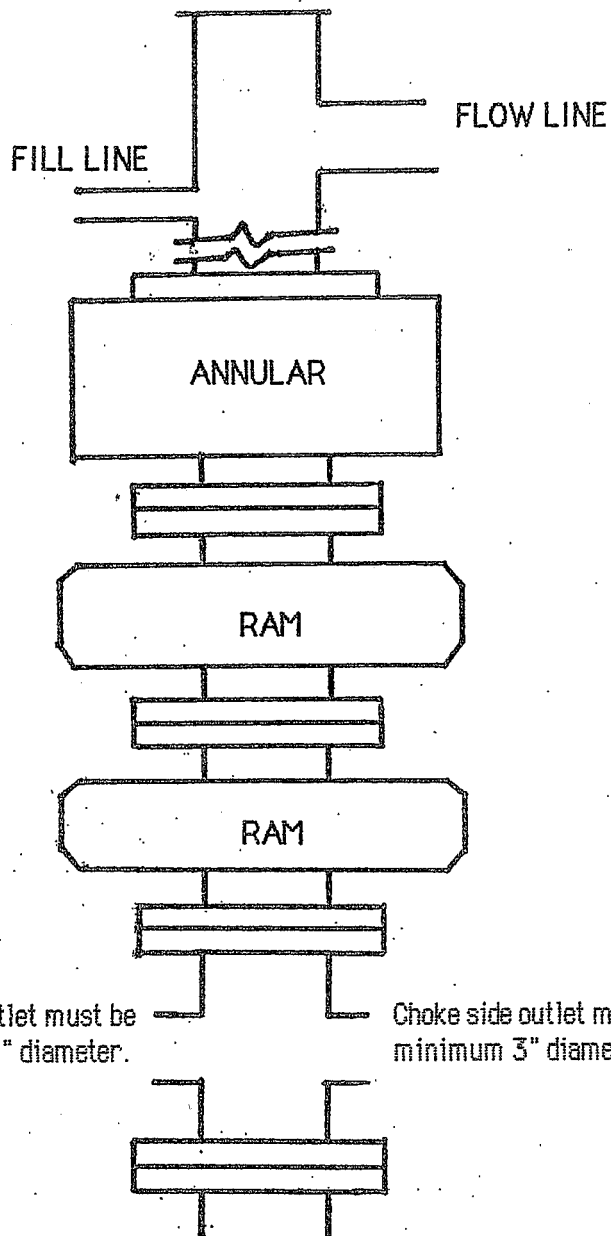
PAGE 2

production is the secondary goal. Oil and gas shows which appear to the well geologist to be commercial will be tested. All fresh water and prospectively valuable minerals will be recorded by depth and protected with casing and cement. Likely fresh water zones are the Glen Canyon group of sandstones.

3. PRESSURE CONTROL

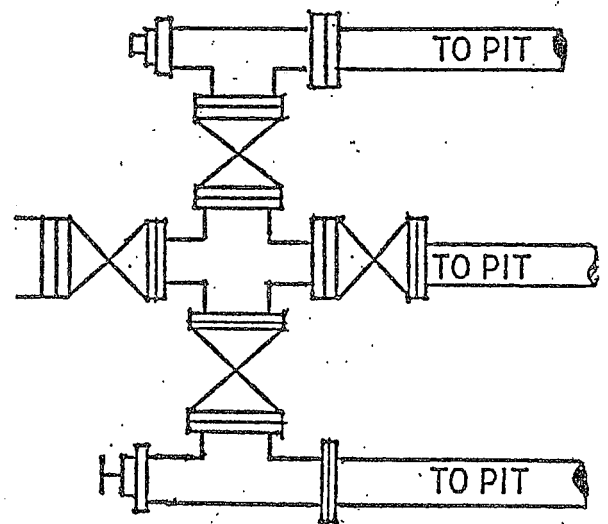
A 13-5/8" 3,000 psi double ram and annular preventer with a 3,000 psi choke manifold will be used. A diagram of a typical BOP is on Page 3. Actual model will not be known until bid is let. Procedures are ...

- Nipple up BOP and all equipment
 - Test to 250 #/3,000#
 - Test Hydril to 2,000 psi
 - Log in I. A. D. C. book
- Drill 1/2 of shoe joint
 - Test to 1,500 psi for 30 minutes
 - Log in I. A. D. C. book
- Activate BOPs every 24 hours or on trips and log in I. A. D. C. book
- Install hand wheels and lay straight flare line before drilling out
- Conduct weekly BOP drills with each crew and log in I. A. D. C. book
- Have floor valve and wrench on floor at all times
 - Floor valve must be in open position
- Before drilling surface casing shoes, blind rams will be closed. BOP and surface casing will be pressure tested to 1,500 psi for a total test time of 30 minutes if not previously tested by Halliburton during cement job.
- Studs on all well head and BOP flanges will be checked for tightness weekly
- Hand wheels for locking screws will be installed and operational
- Entire BOP and well head assembly will be kept clean of mud
- A drill stem safety valve in the open position will be available
- Call BLM at (505 599-8900) and the Utah Division of Oil, Gas, & Mining at (801 538-5340) before testing BOPs



TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum). The choke line will be 3" in diameter. There will be a pressure gauge on the choke manifold.



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve.

Upper kelly cock will have handle available.
Safety valve and subs will fit all drill string connections in use.
All BOPE connections subjected to well pressure will be flanged, welded, or clamped.

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4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Age</u>	<u>Coupling</u>	<u>Burst/Collapse</u>	<u>Depth Set</u>
20"	16"		Conductor	New			60'
12-1/4"	8-5/8"	24#	J or K-55	New	S T & C	2,950/1,370	1,400'
7-7/8"	5-1/2"	17#	J or K-55	New	L T & C	5,320/4,910	6,850'

Conductor pipe will be cemented to the surface with ready-mix.

Surface casing will be cemented to the surface with $\approx 50\%$ excess. Lead with ≈ 325 sacks (≈ 633 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈ 200 sacks (≈ 238 cubic feet) standard cement + 1% CaCl_2 + 1/4 pound per sack cellophane mixed at 15.6 pounds per gallon and 1.19 cubic feet per sack. Centralizers will be placed $\approx 5'$ off the bottom and on the first three joints and the fifth joint.

Production casing will be cemented with $\approx 40\%$ excess to $\approx 1,200'$ (i. e., $\geq 200'$ above surface casing shoe). Lead with ≈ 510 sacks (≈ 994 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈ 335 sacks (≈ 422 cubic feet) premium with 5 pounds per sack gilsonite + 0.6% Halad 9 + 0.25 CFR-3 mixed at 15.2 pounds per gallon and 1.26 cubic feet per sack. Centralizers will be set on the shoe joint, top of the second and third joints, and continue through and above pay zones at $\approx 90'$ intervals.

5. MUD PROGRAM

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>	<u>Type</u>
0 - 1,400'	8.3 - 8.7	27 - 32	N/C	Fresh H ₂ O gel lime spud mud, pH 9
1,400' - TD	8.4 - 10.0	38 - 40	8 cc	Fresh water gel & PHPA, SAPP, etc

Cuttings will be collected every $\approx 30'$ from the surface to $\approx 5,500'$. Cuttings

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will be collected every $\approx 10'$ from $\approx 5,500'$ to TD.

6. CORES, LOGS, & TESTS

Cores may be cut depending upon shows, most likely in the Desert Creek. GR - Sonic and DLL-Micro-SFL log suites will be run from TD to the surface. FDC-CNL logs will be run from TD to $\approx 4,000'$. No drill stem tests are currently planned.

A geologist or mud logger will be on site from $\approx 4,000'$ to TD.

7. DOWN HOLE CONDITIONS

No abnormal temperatures or abnormal pressures are expected. Maximum expected bottom hole pressure will be $\approx 2,945$ psi. Hydrogen sulfide is expected in the Mississippian, just below the Pinkerton. A contingency plan is attached.

8. OTHER INFORMATION

The anticipated spud date is March 1, 2008. It is expected it will take ≈ 3 weeks to drill and ≈ 2 weeks to complete the well.

Navajo Nation Oil & Gas Co., Inc. is requesting an exception due to geology. The location is based on seismic. The well is staked at 1219' FSL & 722' FEL 35-41s-21e on 2,560 acre Tribal lease 14-20-603-229. Thus, it is 359' too far north.

Navajo Nation Oil & Gas Co., Inc. is requesting permission to drill at 1219' FSL & 722' FEL 35-41s-21e. This is the only well, existing or planned, in the

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1219' FSL & 722' FEL
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quarter-quarter. The closest (1,376') existing or planned well is ST Oil Company's existing Tohonadla 1 at 660 FS & 1980 FE 35-41s-21e. ST Oil Company is a partner in the Tohonadla 35-P.

Closest lease line is 1219' south. Navajo Nation Oil & Gas Co., Inc. or ST Oil Company is owner of all drilling units within a minimum 4,309' radius of the proposed exception. Five of the 8 offset quarter-quarters are part of the same lease. The three remaining offset quarter-quarters are part of jointly operated Navajo Nation Oil & Gas Co., Inc. and ST Oil Tribal 320 acre lease 14-20-603-270. The quarter-quarter (NESE Sec. 35) toward which the well encroaches is part of the same lease.

Navajo Nation Oil & Gas Co., Inc.
Tohonadla 23-P
1219' FSL & 722' FEL
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Surface Use Plan

1. DIRECTIONS (See PAGES 12 - 15)

From the junction of US 163 and US 191 west of Bluff

Go South 8-1/4 miles on US 191 to the equivalent of mile post 13.1

Then turn left and go Northeast 0.7 miles on a sandy road to the 23 #1 well

Then bear left and go Northeast 187.32' cross country to a surface pipeline

Then turn left and go Northwest 1,347.19' along the steel surface pipeline

Then turn right and go Northeast 356.7' cross country to the proposed pad

Roads will be maintained to at least equal to their present condition.

2. ROAD WORK (See PAGES 14 & 15)

No upgrade is needed for the existing road. The 1,891.21' of new road will be built to BLM Gold Book standards. Road will have a $\approx 14'$ wide running surface and will be rocked where needed. No culvert, vehicle turn out, or cattle guard is needed. Maximum disturbed width will be 20'. Maximum cut or fill = 3'. Maximum grade = 5%.

3. EXISTING WELLS (See PAGE 13)

There are 2 water, 4 oil, and 7 plugged wells within a mile radius. There are no gas or injection wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES (See PAGES 14 & 15)

A well head and gas powered pump will be installed on the pad. Both will be

Navajo Nation Oil & Gas Co., Inc.
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painted a flat Carlsbad tan. A 2,573.19' long ≈ 4 " O. D. steel pipeline will be laid along the road from the well to the existing separator and tank battery. The pipeline will be buried ≈ 36 " deep.

5. WATER SUPPLY

Water will be trucked from Monument Resources' well on private land in 30-40s-22e near Bluff. Water right number is 09-135.

6. CONSTRUCTION METHODS & MATERIALS (See PAGES 16 & 17)

The top 6" of soil and brush will be stripped and stockpiled east of the pad. The pit subsoil will be piled east of the pit and separate from the topsoil. A diversion ditch will be cut north of the pad. A minimum 12 mil plastic liner will be installed in the reserve pit. The reserve pit will be fenced sheep tight on 3 sides with woven wire fence topped with barbed wire. The fourth side will be fenced once the rig moves off. The fence will be kept in good repair while the pit dries. Once dry, contents of the reserve pit will be buried in place.

Rock will be bought and trucked from private land near Bluff.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage and hauled to the county landfill. Human waste will be disposed of in chemical toilets. Toilet contents will be hauled to a state approved dump station off the reservation.

8. ANCILLARY FACILITIES

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There will be no air strip or camp. Camper trailers will be parked on the pad for the company man, tool pusher, and mud logger.

9. WELL SITE LAYOUT

See PAGES 16 and 17 for drawings of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION

Reclamation starts once the reserve pit is dry, at which point it will be back filled. Liner top will be folded over contents and covered with $\geq 24"$ of dirt. The reserve pit and any pad areas not needed for producing the well will be reclaimed as an interim measure. Once the well is plugged, the remainder of the pad and road will be reclaimed.

All reclamation will leave the terrain with a natural shape, slopes will be no steeper than 3 to 1, subsoil will be used to fill the reserve pit, all compacted areas will be ripped $\geq 12"$ deep with the contour, topsoil will be spread across all compacted areas and harrowed with the contour. A seed mix will be drilled as prescribed by BLM, BIA, or the Navajo Nation. Weeds will be controlled in accordance with BLM, BIA, or Tribal requirements.

11. SURFACE OWNER

All construction will be on Navajo Tribal surface. Tribal Project Review Office phone is (928) 871-6447. Address is P. O. Box 2249, Window Rock, Arizona, 86515.

Navajo Nation Oil & Gas Co., Inc.
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12. OTHER INFORMATION

The nearest hospital is a $\approx 1\text{-}1/4$ hour drive away in Monticello. It is 3 blocks northwest of the intersection of US 491 and US 163/191. Hospital phone number is (435) 587-2116. Or dial 1-800-332-1911 from anywhere in the county. Give the operator the latitude and longitude (see section plat (which is the second page of the APD)) of the well.

Chuck Yarbrough (BIA) and Charles Black (Permits West) conducted an on site inspection on June 13.

13. REPRESENTATION & CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 24th day of January, 2008.



Brian Wood, Consultant
Permits West, Inc.

37 Verano Loop, Santa Fe, NM 87508

(505) 466-8120

FAX: (505) 466-9682

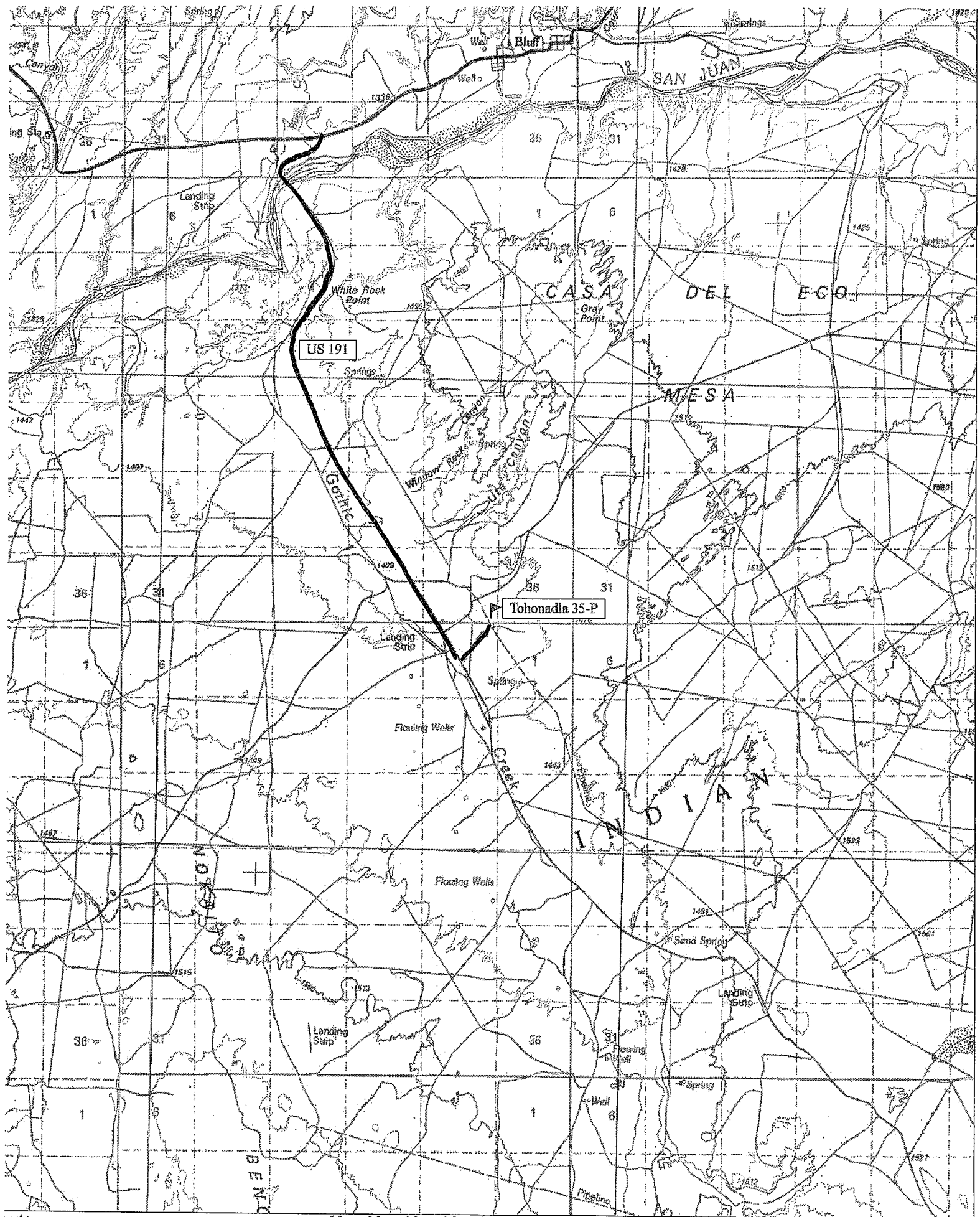
Mobile: (505) 699-2276

Navajo Nation Oil & Gas Co., Inc.
Tohonadla 23-P
1219' FSL & 722' FEL
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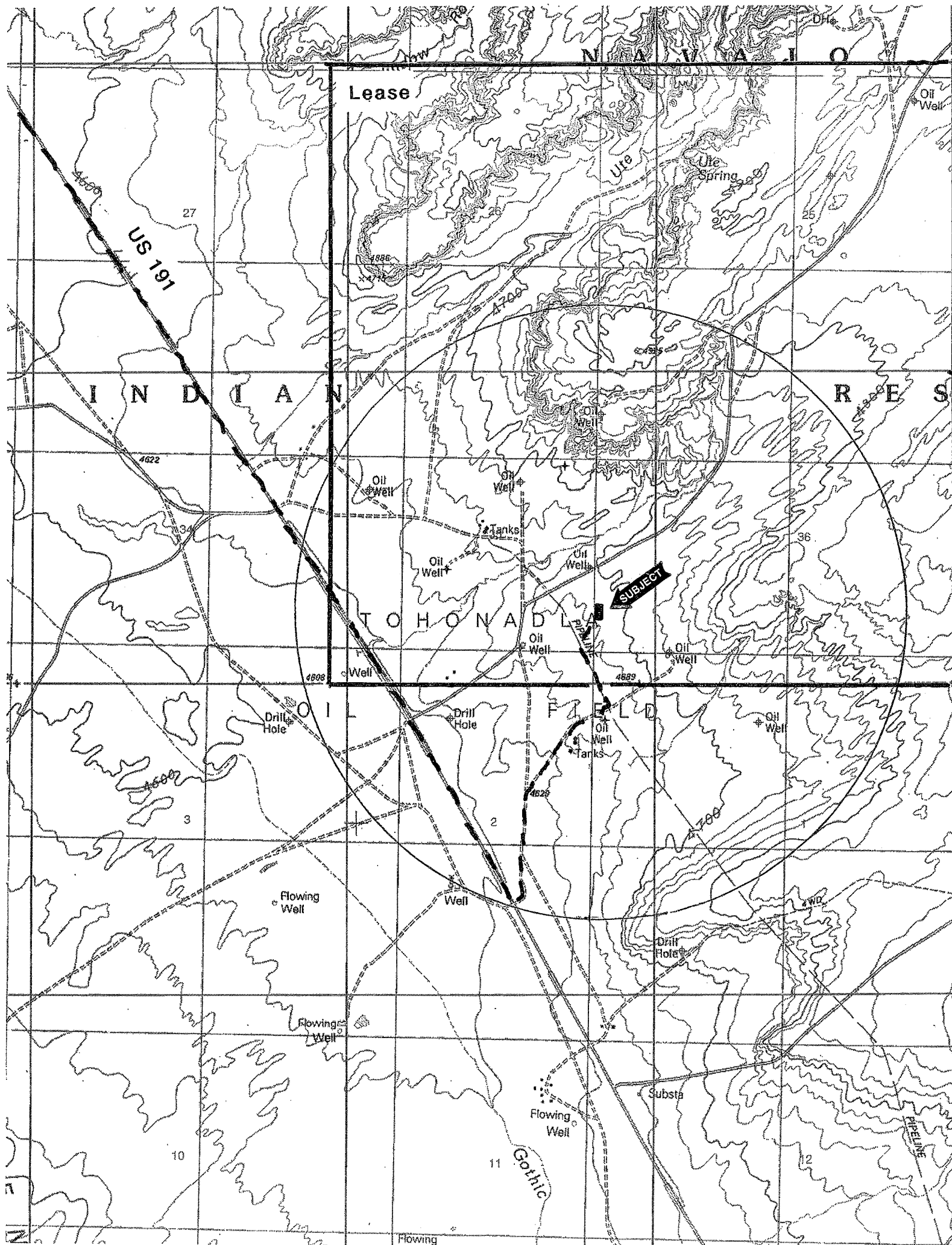
The field representative will be:

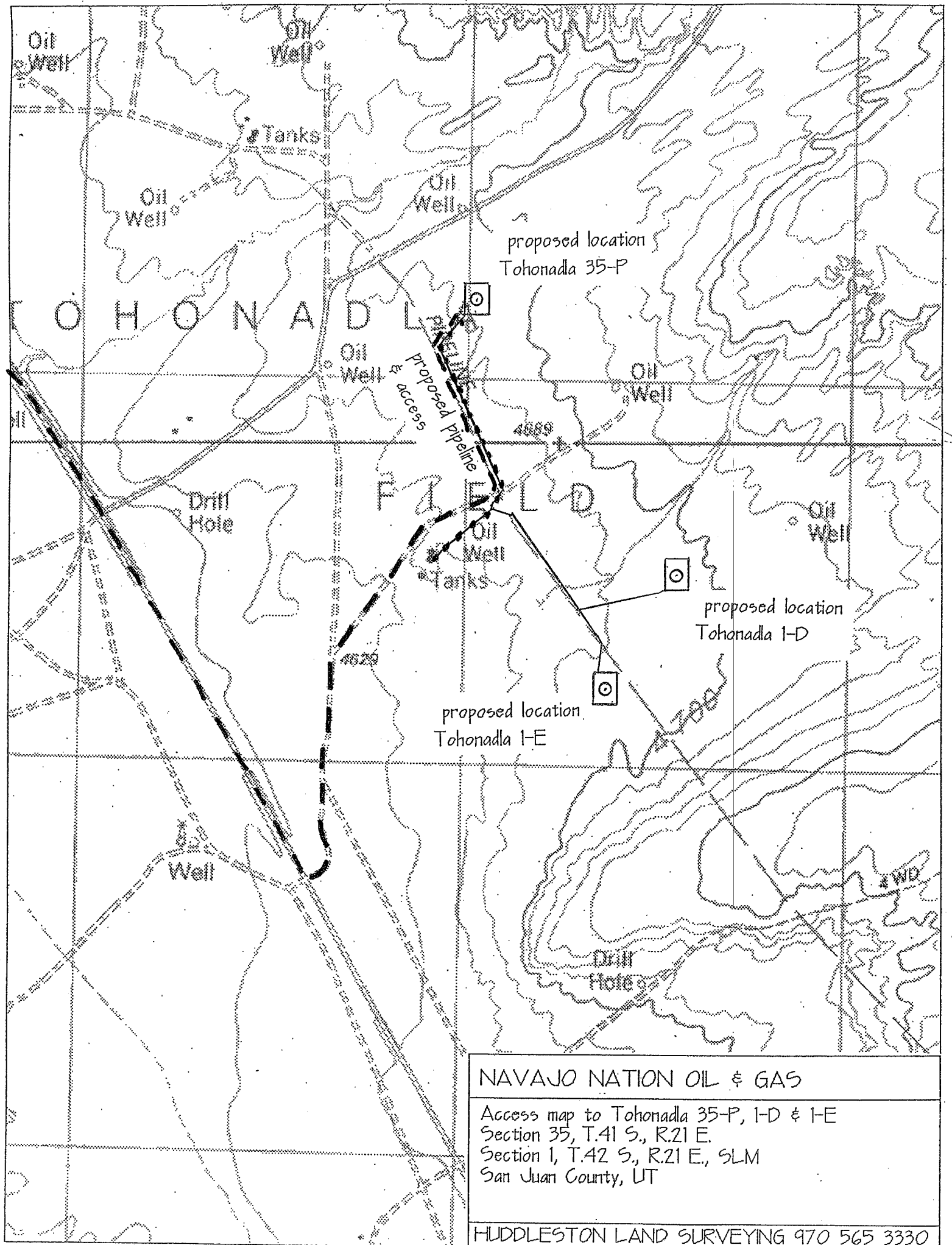
Wilson Groen
Navajo Nation Oil & Gas Co., Inc.
P. O. Box 4439
Window Rock, AZ 86515
(928) 871-4880



N
MN
11W°

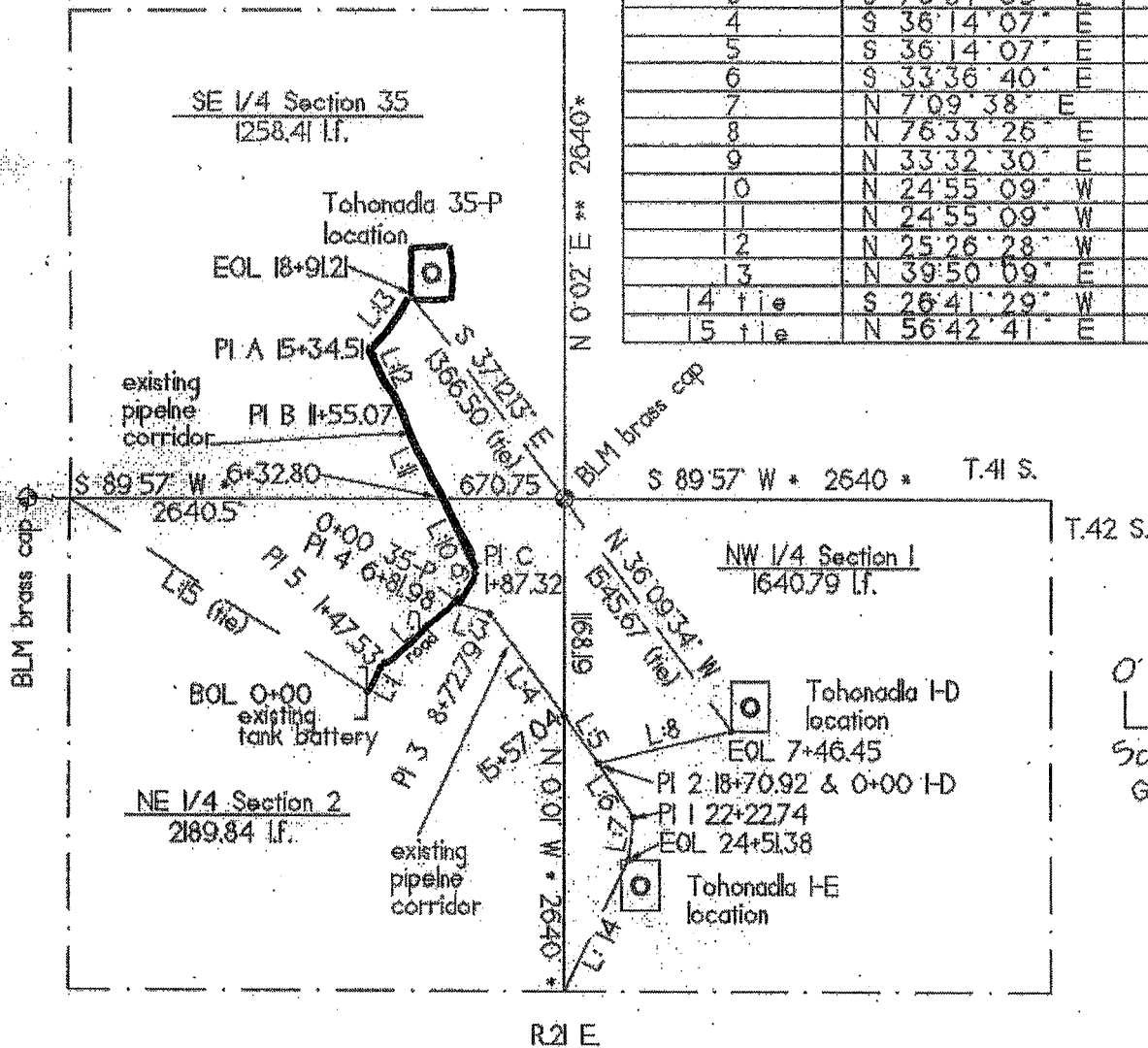
0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles
0 1 2 3 4 5 km



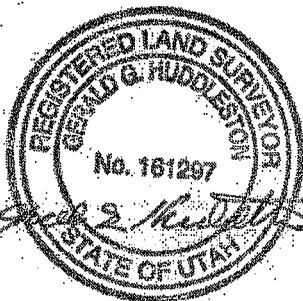


Description Data

LINE NO.	DIRECTION	LENGTH
1	N 29°06'02" E	147.53
2	N 49°26'04" E	534.45
3	S 73°01'36" E	190.81
4	S 36°14'07" E	684.25
5	S 36°14'07" E	313.88
6	S 33°36'40" E	351.82
7	N 7°09'38" E	228.64
8	N 76°33'25" E	746.45
9	N 33°32'30" E	187.32
10	N 24°55'09" W	445.48
1	N 24°55'09" W	522.27
2	N 25°26'28" W	379.44
3	N 39°50'09" E	356.70
4 tie	S 26°41'29" W	781.97
5 tie	N 56°42'41" E	1885.65



0 1000'
Scale 1" = 1000'
GPS True North



KNOW ALL MEN BY THESE PRESENTS that I Gerald G. Huddleston, do hereby certify that this plat was prepared from field notes of an actual survey made by me or under my supervision and that the same is true and accurate to the best of my knowledge and belief.

Navajo Nation Oil & Gas

Proposed pipeline & access to:
Tohonadla I-D, I-E & 35-P
Section 1 & 2, T.42 S., R.21 E.
Section 35, T.42 S., R.21 E., SLM
San Juan County, UT

05 10 '07

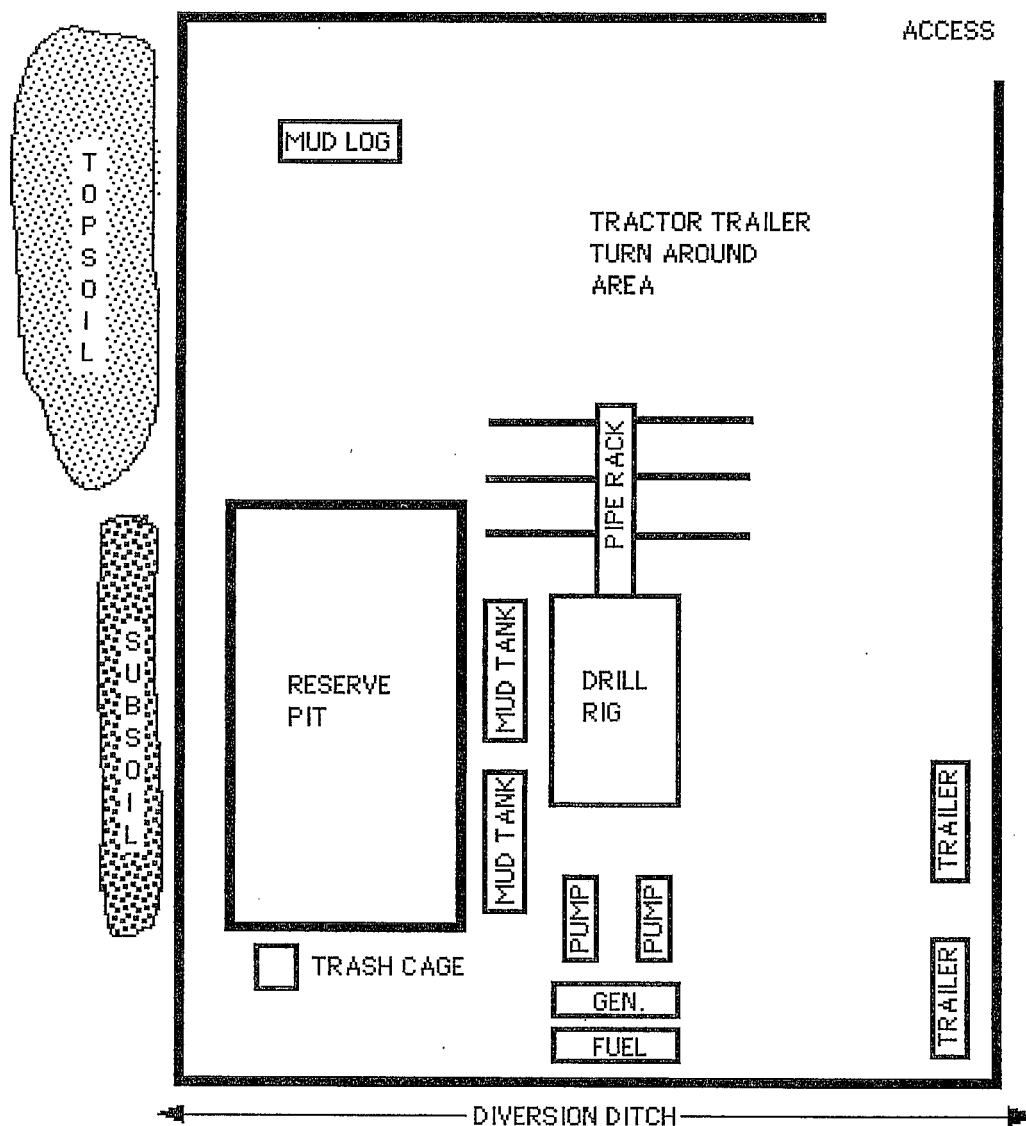
Navajo Nation Oil & Gas Co., Inc.
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1219' FSL & 722' FEL
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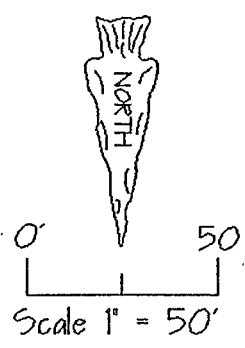
1" = 50'



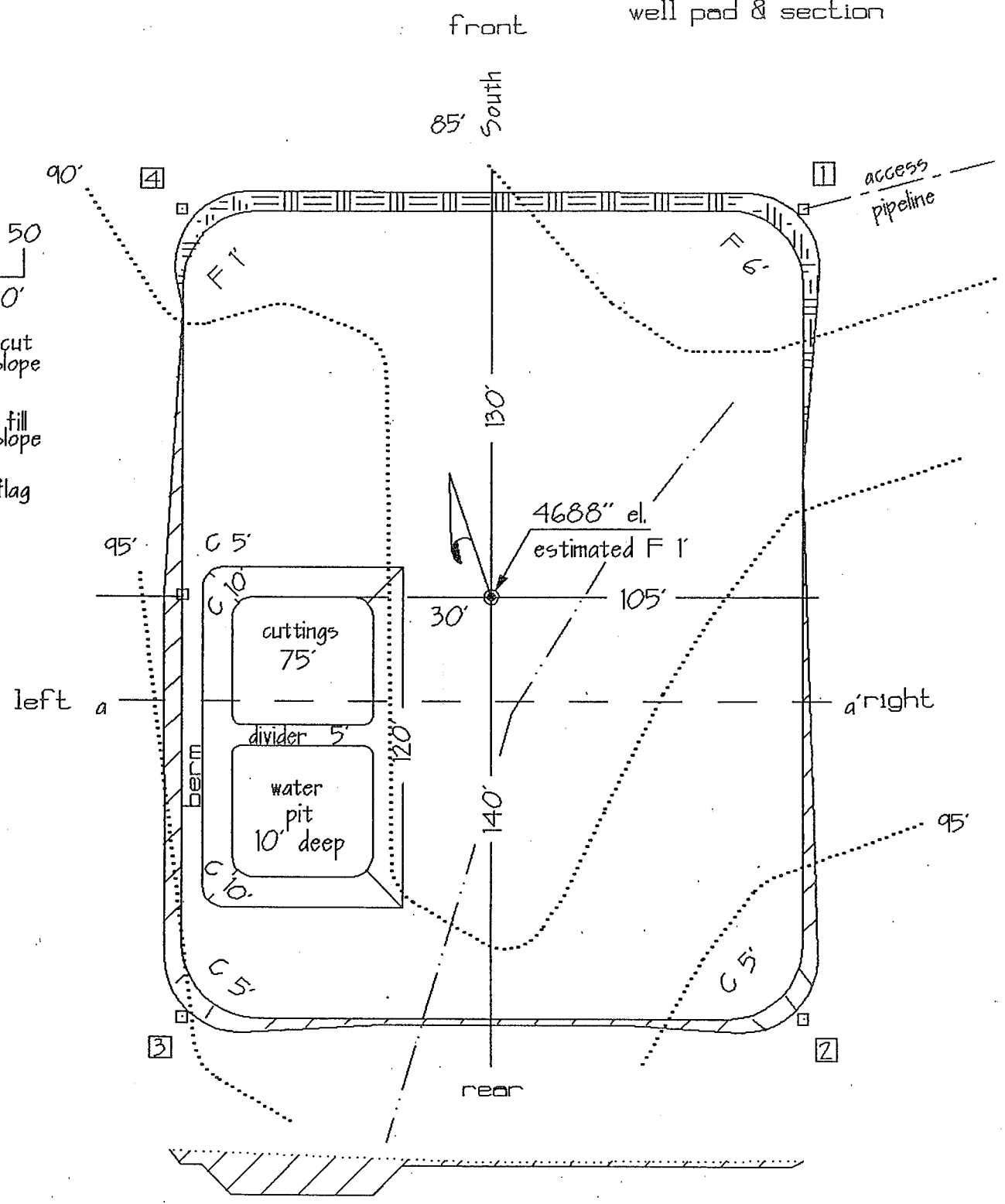
NORTH



Tohonadla 35-P
well pad & section



- cut slope
- fill slope
- stake/pin flag



a Cross section a'

**Hydrogen Sulfide (H₂S) Contingency Plan
For Navajo Nation Oil & Gas Co. Inc.'s**

Tohonadla 1-D

1119' FNL & 1017' FWL Sec. 1 T42S R21E

Tohonadla 1-E

2081' FNL & 417' FWL Sec. 1 T42S R21E

Tohonadla 35-P

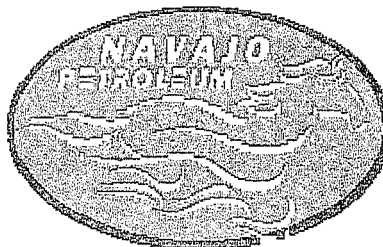
1219' FSL & 722' FEL Sec. 35 T41S R21E

San Juan County, Utah

Navajo Nation Oil & Gas, Inc

Post Office Box 4439

Window Rock, Arizona 86515



PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87505 (505) 466-8120

Table of Contents

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Checklist for Drilling, Workover, and Maintenance in H₂S Environment

1. Two safety briefing areas at least 100 yards from well head and arranged so that one briefing area will be upwind at all times. These sites should be located uphill whenever possible. (see Appendix 3.2)
2. Identify direction of prevailing winds (see Appendix 3.2)
3. At least two wind socks installed at all times
4. Primary and secondary emergency escape routes (flagged trail minimum)
5. Number, types, and storage location of H₂S emergency respirators for personnel, and number of personnel to be present onsite at any one time.
6. H₂S detector locations (3 minimum to include cellar or bell nipple and mud tanks at shale shaker). Type and location of visual and audible alarms to be used.
7. H₂S evacuation and emergency training procedures and schedule (i.e. Contingency Plan)
8. List of area residents within a two-mile radius, evacuation plan, and contact list (including agencies and individuals)
9. Types and quantities of mud additives and scavengers to be available at location for H₂S operations
10. Design features and operational procedures to be used to provide safe working environment (including a certification by the operator on the APD that all equipment meets standards for H₂S service)
11. Appropriate warning signs and flags on all access roads
12. Provisions for blocking and monitoring access to location during critical incident
13. Ventilation fan under rig floor
14. In event of uncontrolled blowout, designation of local official who has authority to ignite flow
15. Swabbing or drillstream fluids containing H₂S should be put through a separator to permit flaring of gas. Flare should have a continuous pilot light to ensure ignition of all such gas.

1.0 General

1.1 Description of Hydrogen Sulfide Gas

Hydrogen Sulfide (H_2S) is a colorless, transparent gas with a distinct and characteristic rotten-egg odor at low concentrations and not detectable by odor at high concentrations. H_2S at higher concentrations and/or over longer periods of exposure paralyzes the olfactory sense for that specific offer. The gas is extremely toxic to humans and can easily become dangerous and lethal. Extreme care and caution is needed to prevent injury and/or death. H_2S has a specific gravity of 1.192 which is heavier than air. It tends, therefore, to accumulate in low places. This collection of gas can lead to dangerous concentrations in areas such as arroyos and drainages. H_2S from "downhole" is often warmer than surface air and will therefore tend to rise and therefore affect workers above the escaping source. Hydrogen Sulfide is explosive and water soluble.

1.2 Toxicity

American National Standards Institute standard: Z37.2-1972 Acceptable Concentrations of Hydrogen Sulfide describes H_2S toxicity in this way: Hydrogen Sulfide is an extremely toxic and irritating gas. Free hydrogen sulfide in the blood reduces its oxygen-carrying capacity, thereby depressing the nervous system. Hydrogen sulfide is oxidized quite rapidly to sulfates in the body, therefore no permanent aftereffects occur in cases of recovery from acute exposures unless oxygen deprivation of the nervous system is prolonged. There is no evidence that repeated exposures to hydrogen sulfide result in accumulative or systemic poisoning. Effects such as eye irritation, respiratory tract irritation, slow pulse rate, lassitude, digestive disturbances, and cold sweats may occur but these symptoms disappear in a relatively short time after removal from the exposure. Odors become detectable in concentrations as low as .008 parts per million (ppm) (California studies) but the sense of smell is lost after 2-15 minutes at 100 ppm.

1.3 H₂S First Aid and Treatment Procedures

- Victim should be removed to fresh air immediately**
- If victim is not breathing, rescue breathing or artificial breathing should be started immediately
- Treat for shock; keep victim warm and comfortable
- Call ambulance and/or doctor, take victim immediately to emergency room or other healthcare facility

****The rescuer(s) should always wear personal protective equipment when attempting to rescue a H₂S victim. It is important to never increase the number of victims unnecessarily during a H₂S emergency.**

2.0 Hydrogen Sulfide H₂S Contingency Plan

2.1 Introduction

This plan provides required procedures to be followed to adequately provide for a safe H₂S working environment. These required procedures include safety procedures, precautionary measures, and training for emergency and standard procedures. This document sets forth the responsibilities of the operator and all individuals and entities under employment or contract with the operator working in a sour gas (H₂S) area.

To make this contingency plan effective and in order to provide a safe working environment, cooperation from all individuals is a necessity. To this end each person onsite must understand normal and emergency operating procedures for this site. Each individual onsite must have adequate information, training, and practice with the specific procedures described in this Contingency Plan. It is the responsibility of both the operator to provide adequate equipment, training, and procedures, as well as the individual "worker's" responsibility to participate fully in all H₂S procedures, to familiarize themselves with the location of all safety equipment and features, and to keep equipment and procedures in working order and up to date.

In order for Navajo Nation Oil & Gas, Inc. to provide a safe working environment for all "workers" and individuals in the vicinity of the well the safeguards are put in place. **Initiative lies with each and every individual for the safety of all. To this end the drilling foreman is required to and will enforce all safety procedures, for the benefit of all involved.**

2.2 Purpose

It is Navajo Nation Oil & Gas, Inc.'s intention to provide a safe working environment for all employees, contractors, and others involved with the drilling of its wells. There exists the possibility of encountering toxic H₂S gas during the construction, completion, and maintenance of the well. To such end, this H₂S contingency plan will be put into effect after surface casing is drilled or when it is deemed necessary by the BLM in consultation with Navajo Nation Oil & Gas, Inc.'s geologist and management.

Safety procedures are established for each person's safety connected with the operation and for the safety of the residents of the local area.

These procedures will be strictly enforced by Navajo Nation Oil & Gas, Inc.'s foreman. Noncompliance may result in loss of pay or dismissal from the sight, job, or employment.

2.3 Operating Procedures

Before this H₂S contingency plan is operational, all personnel that are to be involved with operation shall be thoroughly trained* in the proper use of breathing apparatus (i.e. SCBAs and Escape Units), emergency procedures, and H₂S first aid and rescue methods. An approved list of trained personnel will be supplied by the safety company and stored with the drilling foreman.**

*Required training for operation personnel will include, but not be limited to, H₂S safety course from an approved training company, safety briefing on drill site of all safety equipment use and locations before the start of work for each and every person onsite, safety related training in-place, on-site 1,000 feet before the first H₂S formation.

**Throughout this contingency plan breathing apparatus shall be understood as

- a) A Self-Contained Breathing Apparatus (SCBA) manufactured such as Scott Industrial c100 or similar.
- b) Or an emergency Escape Unit such as the Scott SCRAM or Elsa (or similar) often referred to as hip packs, hoods, or pony bottles.

The two types of breathing apparatus will be differentiated as a SCBA or an Escape Unit as required.

2.3.1 Safety Equipment

Personal H₂S monitors- Every person onsite will be required to wear a personal H₂S monitor at all times while onsite. Monitors will not be worn on hard hats, but should be worn on the waist belt or preferably near the chest in-front.

Breathing Apparatus- all personnel on the drill site will be assigned an individual breathing apparatus unit. This may be either an escape unit or a SCBA unit. A minimum of two SCBA type units will be onsite. These units will be used by the team whose duty it is to serve as the onsite rescue team.

Monitoring and Recording Devices-An experienced safety company (such as DXP Safety Alliance, Farmington, NM) will be responsible for the installation and monitoring of H₂S detectors placed on site. These units will be tested and recalibrated as the safety company requires. If H₂S is detected, the monitors will be tested and recalibrated at least every 12 hours. This monitoring system may or may not be integral to the required two stage alarm system on site. This two stage system (visual and audio) will have a minimum of three H₂S detector locations. Monitors will be located 1), in the cellar or on the bell nipple, 2), at the mud tanks' shale shaker, and 3), to be determined by the safety company. Visual (light) and audio (siren) will activate when H₂S concentrations reach 10 ppm.

First-Aid and rescue equipment-Stored on-site, but ideally up-hill and up-wind from H₂S sources a minimum of one "rescue pack" will contain at least:

- 1 backboard, straps, headblocks
- a set of cervical collars (s-xl)
- 1 bag valve mask
- 1 bottle of oxygen
- gauze and other standard first-aid items

suggested 1 AED (automatic external defibrillator).

Gas Monitor-An appropriate monitor should be on-site that can measure for LLE, VOC, and other explosive or hazardous gasses.

2.3.2 Safety Procedures

Cascade System- Every person required to perform duties within "safety zones" (see list below) will be provided with breathing equipment attached to a cascade air system. These areas are as follows

- rig floor
- mud pit
- derrick
- shale shaker
- mud hopper and bulk hopper
- all hazardous locations will be accessible by hose and work pack (SCBA)

Escape Routes- Two escape routes will be at a minimum flagged and kept clear at all times.

Safety Briefing Areas-Two safety briefing areas will be located at the end of escape routes (see above). The briefing areas will be clearly marked, up-hill, and located so that one site is always up wind. Please see attached site map for safety briefing areas in Appendix 3.4.

Safety, first-aid, and rescue equipment-Will be stored properly onsite using best practices. This will include proper maintenance and scheduled testing, inspection, and training/practice.

Service companies- All service companies will be briefed regarding potential hazards of the well site including the presence (or potential for) H₂S. These companies will be required to provide breathing apparatus and training to their employees. No service company personnel will be allowed onsite without meeting these requirements. In addition a safety briefing under the direction of the drill foreman regarding site specific H₂S procedures will be provided to each new personnel member reporting on-site.

Drills and practice- Drills reviewing all and any safety procedures including evacuation, rescue, and proper procedures to shut-in a well, and identify source of H₂S in instance of a leak will be practiced under the supervision of the safety company representative and company foreman. Proper use of breathing apparatus will be instructed during such drills. Drill schedule will be designed to familiarize new personnel with all safety procedures. Each crew should also be familiar with all operations. Drills should include a short work period in safety equipment.

Warning Signs- Warning signs will be posted at all access roads. “No smoking” signs will be posted at access points as well. Signs will be posted more than 200 feet and no more that 500 from well pad. When H₂S is present at 10 ppm or greater a red flag shall be displayed on the warning sign. Gates, road barricades, and/or gate guards will be used if necessary to prevent access during critical or hazardous situations.

Wind Socks- A minimum of two wind socks should be installed at locations easily observable from all work areas. If more than two windsocks are needed in order to allow “workers” at all times to easily identify the wind direction; more windsock will be installed.

Vehicle Parking- Vehicles should be parked 200ft from well site with their noses pointing away from the well site. Preferably vehicles will be located up hill and up wind from the well along the escape route.

Testing Fluids- Swabbing and testing fluids containing H₂S will be pass through a separator to permit flaring of the gas. There will be a pilot light in such instances.

Bug Blowers- Circulation will be provided by explosion proof electric fans to all critical locations when necessary.

Drills reviewing all and any safety procedures including evacuation, rescue, and proper procedures to shut-in a well, and identify source of H₂S in instance of a leak will be practiced under the supervision of the safety company representative and company foreman. Proper use of breathing apparatus will be instructed during such drills. Drill schedule will be designed to familiarize new personnel with all safety procedures. Each crew should also be familiar with all operations. Drills should include a short work period in safety equipment.

2.3.3 Working Conditions

Occupational Safety and Health Administration (OSHA) has set guidelines for Permissible Exposure Limits (PEL) This standard is to be considered the threshold **never to be exceeded** for the health and safety of all workers on this site. Ideally, exposure would never be this high.

2.3.3.1 Exposure Limits

OSHA Permissible Exposure Limit (PEL) for General Industry: 29 CFR 1910.1000 Z-2 Table -- Exposures shall not exceed 20 ppm (ceiling) with the following exception: if no other measurable exposure occurs during the 8-hour work shift, exposures may exceed 20 ppm, but not more than 50 ppm (peak), for a single time period up to 10 minutes.

OSHA Permissible Exposure Limit (PEL) for Construction Industry: 29 CFR 1926.55 Appendix A -- 10 ppm, 15 mg/m³ TWA (accessed via the internet at: http://www.osha.gov/dts/chemicalsampling/data/CH_246800.html#exposure on 19 July 2007)

The maximum exposure limit for an 8 hour day is less than 10 ppm.

2.4 H₂S Emergency Procedures

2.4.1 Incident

H₂S alarm system activation. Light and siren warnings or personal H₂S monitor activation for any one “worker.”

2.4.2 Primary Emergency Procedure

- i. All rig crew personnel and all auxiliary personnel must **DON BREATHING APPARATUS IMMEDIATELY.**
- ii. Rig crew should mask up with SCBA type work packs preferentially
- iii. All auxiliary crew should move to safety briefing area, uphill and upwind.
- iv. All non-essential personal should continue to evacuate site.

2.4.3 Secondary Emergency Procedure

I. Supervisory Personnel

- i. Company Foreman
 - a. Proceed to cascade trailer and check for safe operation of cascade system
 - b. Proceed to active safety briefing areas and account for all personnel. If all personnel are not accounted for initiate appropriate search.
 - c. Return to drilling floor and supervise operations
- ii. Toolpusher
 - a. Proceed to cascade trailer and check if Company Foreman is operating cascade system safely. If NOT ensure safe operations of the cascade system.
 - b. Proceed to drilling floor and supervise operations. Make sure all crew members are accounted for and institute buddy system. If all personnel are not accounted for, initiate appropriate search.

II. Rig Crew

- i. Driller
 - a. if drilling

1. after donning breathing apparatus proceed to console and raise Kelly to slip set position

2. shut down mud pumps

3. monitor well flow, remain at console

4. using hand signals verify all personnel are at stations, verify company man and toolpusher's position, initiate search if well is not flowing

b. If tripping

1. after donning breathing apparatus put pipe in the slip-set position

2. stab safety valve, close safety valve

3. monitor well flow-remain at console

4. watch derrickman descend from derrick, verify all personnel locations, verify company man and toolpusher's position, initiate search if well is not flowing

c. if well is flowing

1. after donning breathing apparatus, shut well in HARD

2. verify all personnel locations, verify company man and toolpusher's position, initiate search if necessary

3. obtain necessary pressures for well control

4. Proceed to safety briefing area with crew, plan well control operations with all personnel

ii. Derrickman

- a. after donning breathing apparatus, go to pit side window on the floor whether drilling or tripping (descend derrick)

- b. maintain visual contact with driller and monitor flow

- c. if mud properties are needed, then proceed to the shaker with "buddy"

- d. monitor other hands on pit side of rig visually

- e. proceed to open manual well-head if necessary (with "buddy")

iii. Motorman

- a. after donning breathing apparatus, go to the cascade system and ensure safe operation
- b. maintain visual contact with chain hand on doghouse side of floor

iv. Chainhand

- a. after donning breathing apparatus, stab safety valve if tripping
- b. go to doghouse/pipe-rack and maintain visual contact with driller and motorman

v. Floorman

- a. after donning breathing apparatus, stab safety valve if tripping
- b. aid driller while maintaining visual contact with driller, derrickman, and chainhand

III. Auxiliary Personnel

- i. Mud engineer and Company man or geologist are to act as wardens. Wardens must account for all other auxiliary crew.
- ii. All auxiliary crew are to remain in safety briefing area unless evacuated by wardens.
- iii. Wardens organize search with notification from company. All searches are to be done with "buddy". Geologist warden should remain in safety briefing area.

2.4.4 Igniting the Well

I. Decision

- i. The Company Foreman holds the responsibility for the decision to ignite a well. In the case where he is incapacitated or absent authority passes to the toolpusher and then the contract driller
- ii. the decision to ignite the well is only to be made as a last resort safety measure when
 - a. there is threat human life and grave threat to public safety and equipment

b. there is no alternative way of containing the well given the emergency faced.

c. an attempt was made to contact area office (circumstances permitting)*

***when human life is threatened no delay in decision making can be afforded**

I. Instructions for Igniting the Well

- i. Two individuals are required for ignition
- ii. Both individuals will wear SCBAs and have 200 foot retrieval cords tied to there waists
- iii. One individual will measure the atmosphere for explosive gasses with appropriate meter.
- iv. The other individual will remain in the safety briefing area
- v. Others in the briefing area are to remain aware of both individuals and aid as able. If either tethered individual is overcome by gas, he should be pulled to safety.
- vi. The well should be lit with a 25 mm meterotype flare gun when well conditions allow. The safest method of igniting the well should always be used.
- vii. Burning H₂S will produce sulfur dioxide which is poisonous. The area, therefore is not safe once the well has ignited. Continue to observe all emergency procedures and follow orders from supervisors and the area office. Notice of incident should be reported to all appropriate authorities.

3.0 Appendices

3.1 Check List for Safety Equipment (designed for a maximum of 11 people)

- ☐ Safety Trailer housing cascade system at least ten 300 cu. ft. bottles of compressed air
- ☐ 7 SCBA type breathing apparatus with 45 cu. ft. bottles
- ☐ 5 breathing masks connected to the cascade system with 7 cu. ft. pony bottles
- ☐ 2 extra 300 cu. ft. bottles able to refill SCBA bottles to be placed at the safety briefing areas
- ☐ 2 Wind socks
- ☐ 1 Flare gun and flares
- ☐ 1 rescue pack (as described in section 2.3.1)
- ☐ Warning signs for access (flags for marking conditions)
- ☐ "Safety Briefing Area" signs, evacuation route flags
- ☐ H₂S monitors (personnel and stationary)
- ☐ Alarm system (audio and visual—explosion proof)
- ☐ Gas Monitor

3.2 Emergency Phone Numbers

Navajo Nation Oil & Gas Company Personnel to be Notified

Wilson Groen	President	Office: (928) 871-4880 Cellular: (505) 879-6483 Direct (928) 871-8501
Rich Ferris	Cell: 303-618-2925	Home: 303-693-9207
Sam Butler	Cell: 303-888-8920	Home: 303-329-9418
Sallie Tippie	Cell: 303-884-8875	Home: 303-331-8695

Safety Company Personnel

(Name)	(Position)	(Number work) (Number home)
(Name)	(Position)	(Number work) (Number home)

Local Agencies

San Juan County Fire Department	(Monticello)	911 (435) 587-3225
San Juan County Sheriff	(Monticello)	911 (435) 587-2237
San Juan County Emergency Management	(Monticello)	(435)-587-3225
Blanding Medical Center 804 North 400 West, Blanding, UT		(435) 678-2254
San Juan Hospital 364 West 100 North, Monticello, UT		(435) 587-2116
Navajo Nation Police	(Montezuma Creek)	(505) 368-1350
	(Monument Valley)	(505) 325-0022

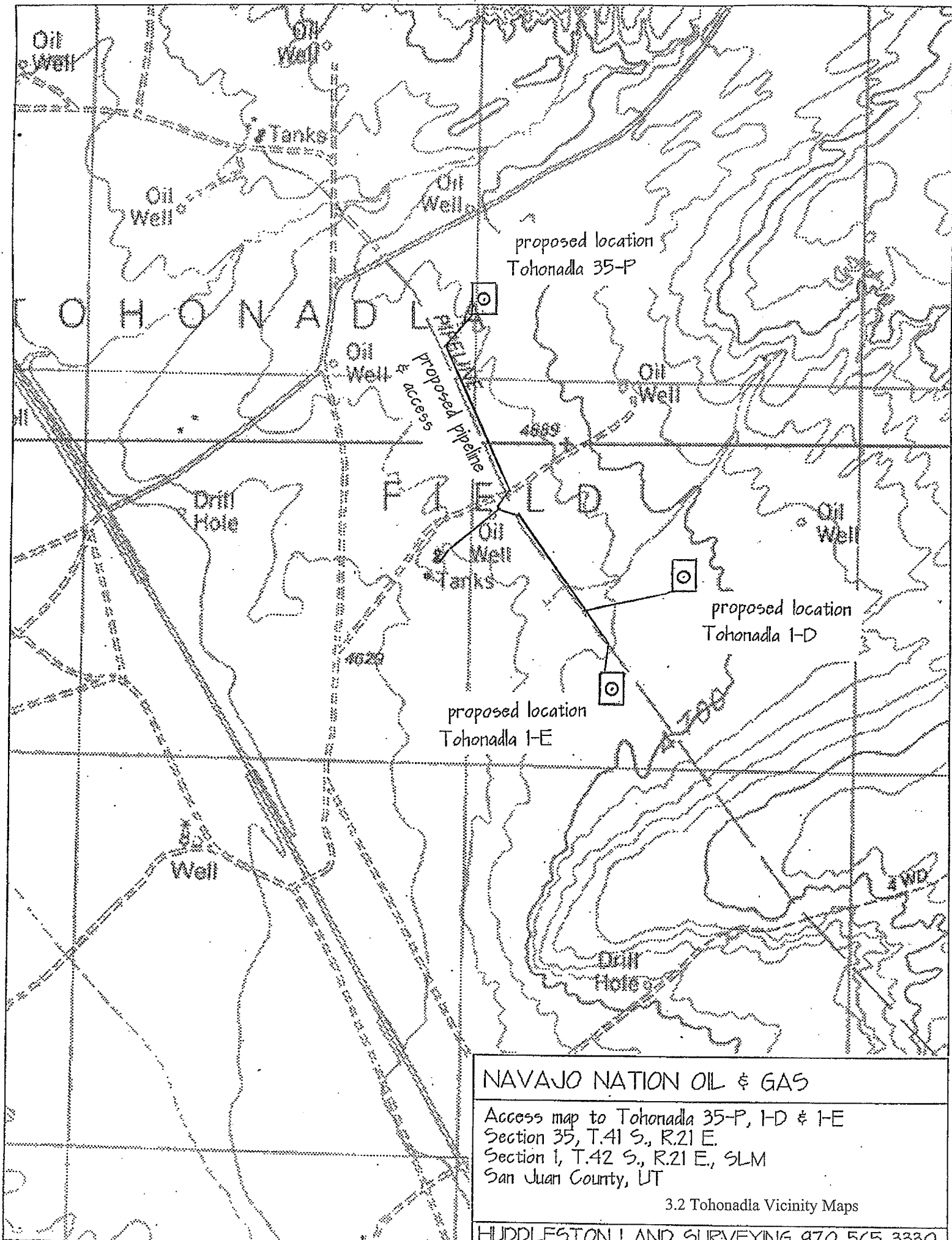
Other Government Agencies

National Response Center		800-424-8802
BLM	Monticello Field Office	(435) 587-1500
	Jeff Brown	(435) 587-1525

	Mobile	(435) 459-4886
	Field Manager	(435) 587-1505
BLM	Farmington Field Office	(505) 599-8900
	Emergency line	(505) 599-8907
	Jim Lovato	(505) 599-6367
BIA, Window Rock	Bertha Spencer	(928) 871-5938
Utah Division of Oil, Gas and Mining (SLC)		
	During Office Hours	(801) 538-5340
	After Hours	(801) 243-9466
Utah State Emergency Response Commission		(801) 536-4123
Utah Highway Patrol (Monticello)		(435) 587-2000
Mexican Water Chapter House		(928) 674-3641
Red Mea Chapter House		(928) 656-3655
Utah Health Department (Price)		(435) 637-3671
US EPA Region 8 (Denver)		(800) 227-8917
Navajo Nation Minerals Dept. (Window Rock, AZ)		(928) 871-6587
Veterinarian	Angel Peak Vet. Hospital (Farmington)	(505) 632-3561
Veterinarian	Farmington Veterinary Clinic	(505) 325-7462
Veterinarian	Watkins, Clyde H. DVM	(435) 678-2414
Helicopter	New Air Helicopters (Durango)	(970) 259-6247
Helicopter	Heli NM (Albuquerque)	(866) 995 1058
Blanding Air Ambulance		(800) 742-8787
Classic Aviation		(800)-444-9220 ext 5

Emergency Phone Numbers Local Residents within 2 miles

See maps to follow



NAVAJO NATION OIL & GAS

Access map to Tohonadla 35-P, 1-D & 1-E
Section 35, T.41 S., R.21 E.
Section 1, T.42 S., R.21 E., SLM
San Juan County, UT

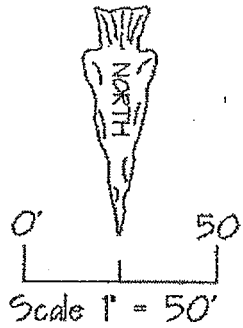
3.2 Tohonadla Vicinity Maps

HUDDLESTON LAND SURVEYING 970 565 3330

Tohonadla 35-P
well pad & section

front

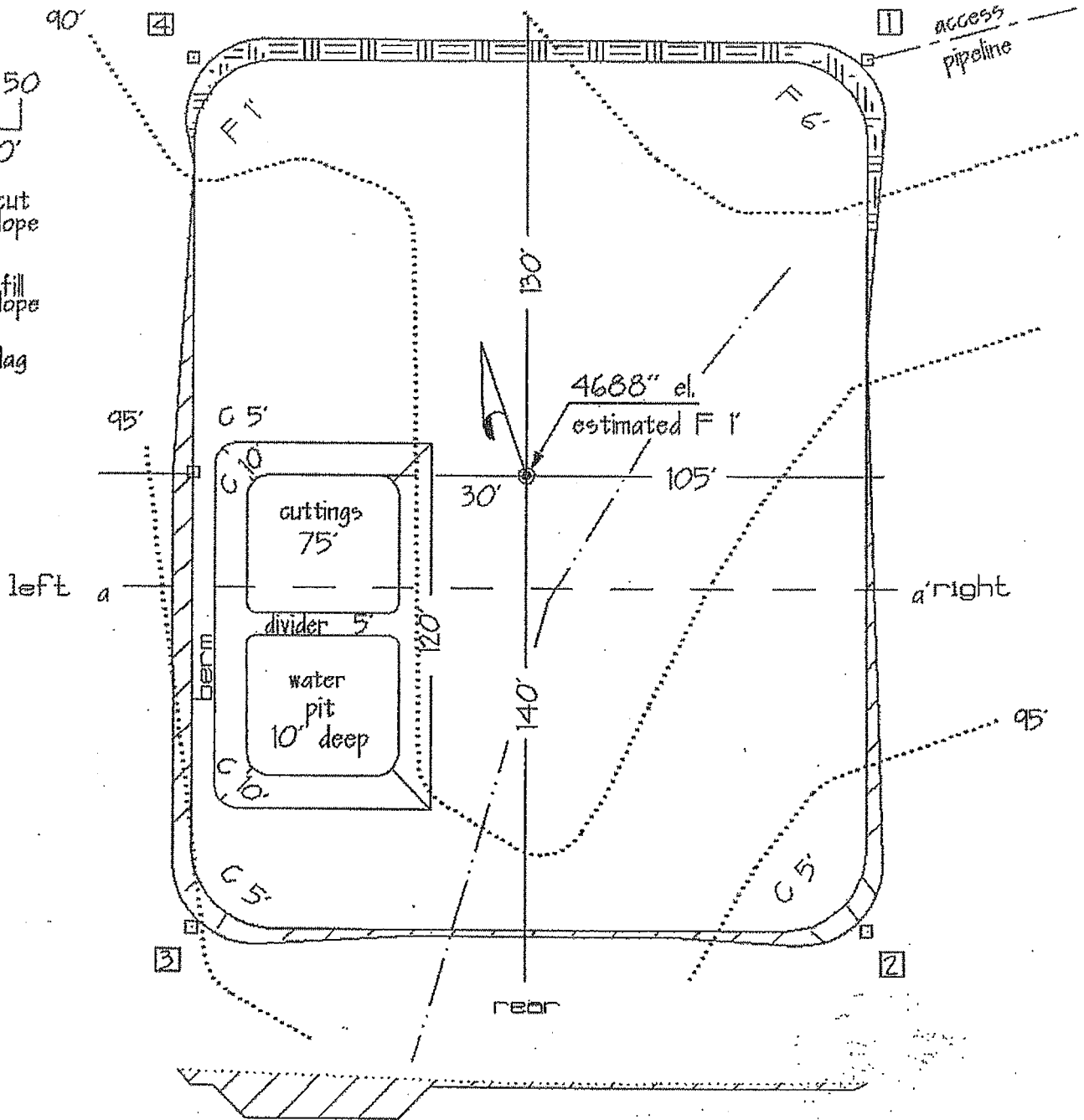
85' South



cut slope

fill slope

stake/pin flag



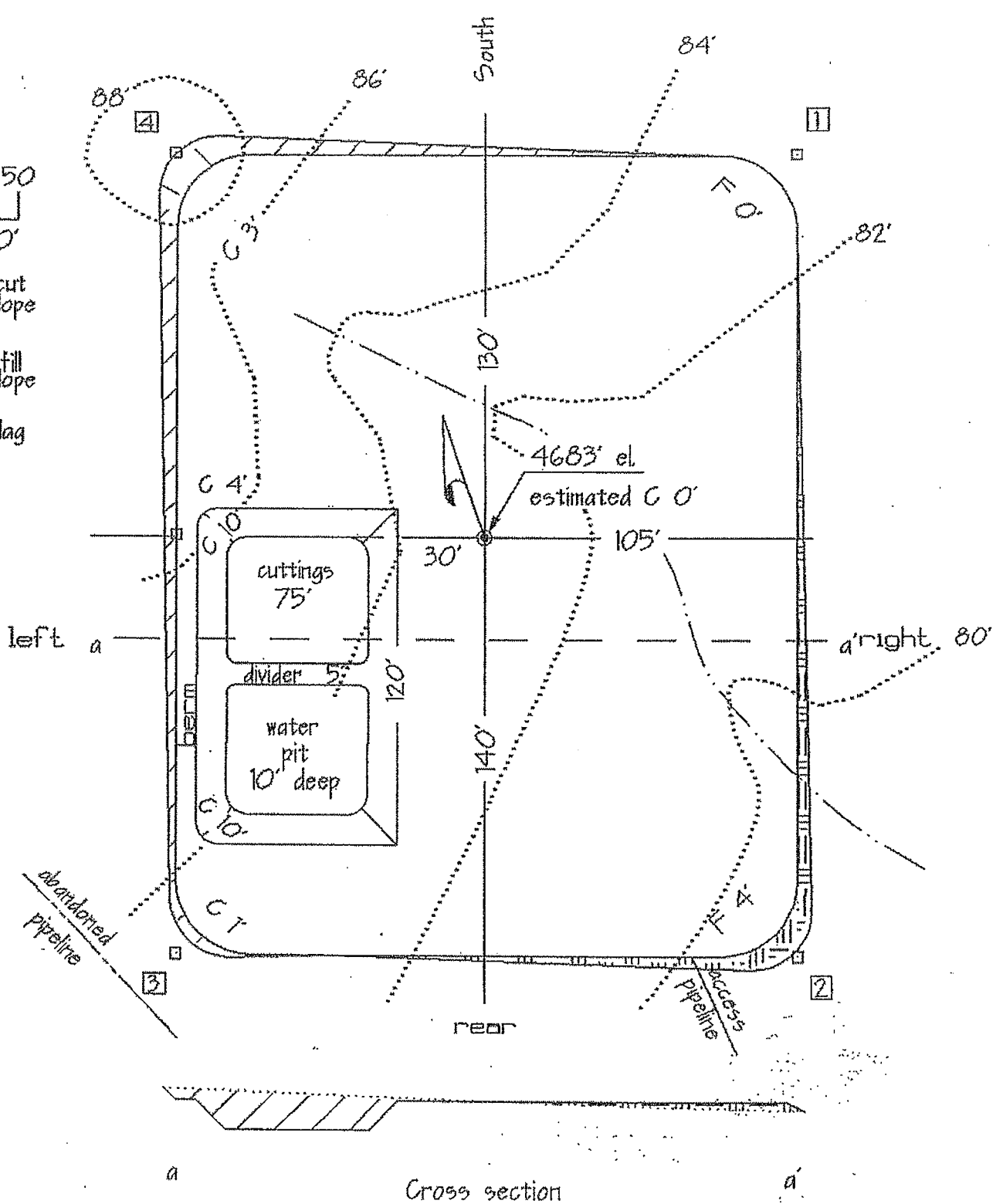
Cross section

Tohonadla 1-E
well pad & section

front

South

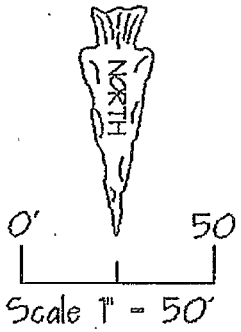
rear



Tohonadla 1-D
well pad & section

front

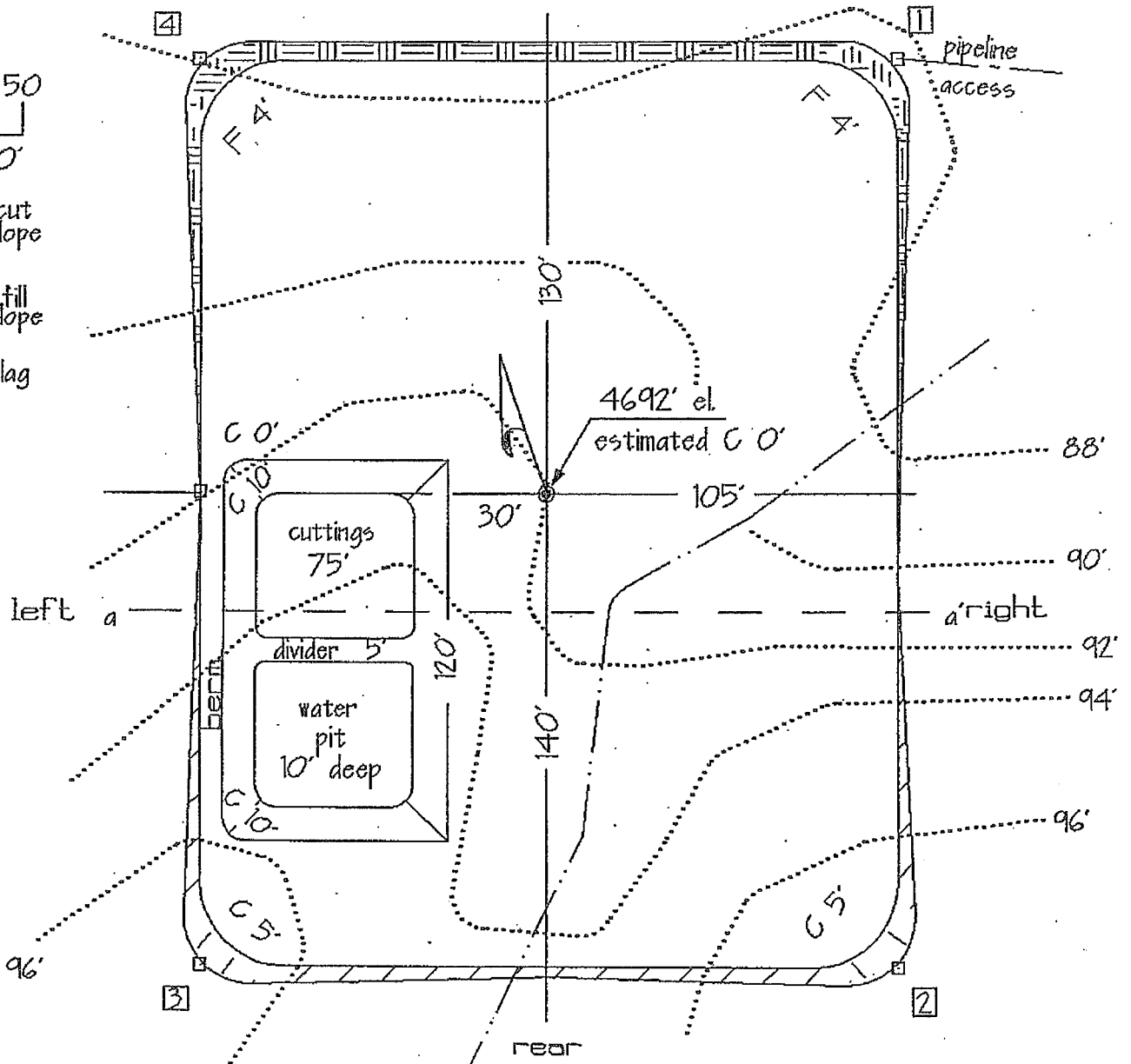
South



cut slope

fill slope

stake/pin flag



a

Cross section

a'

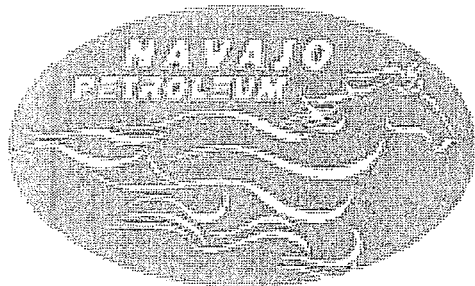
Proposed Tohonadla Wells

Navajo Nation
Oil & Gas Co. Inc.

Sec. 35 T. 41 S., R. 21 E.

Sec. 01 T. 42 N., R. 21 E.



San Juan County, Utah



Local Residences Contingency Map

Prevailing Winds
From the Southwest

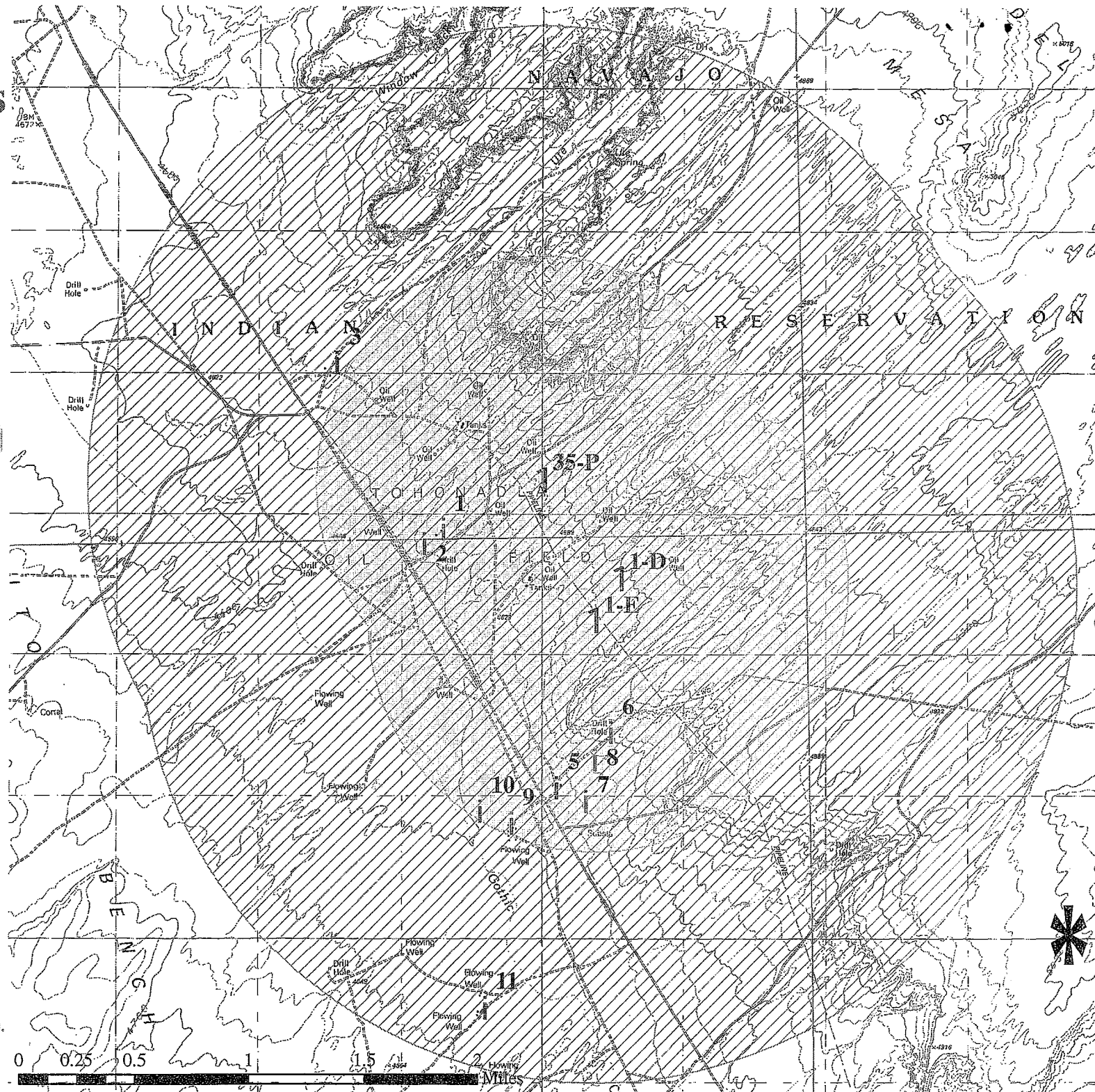
Legend

- 1** Proposed Tohonadla wells
- i** Residences
-  2 miles from wells
-  1 mile from wells

15 January 2008

PERMITS WEST, INC.
PROVIDING PERMITS FOR LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87505 (505) 466-8120

3.2 Local Residences Map



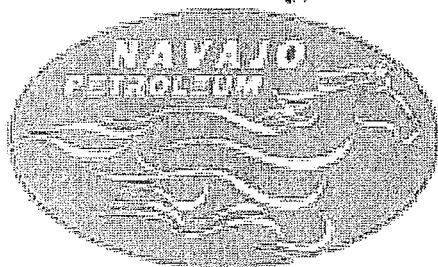
Proposed Tohonadla Wells

Navajo Nation
Oil & Gas Co. Inc.

Sec. 35 T. 41 S., R. 21 E.

Sec. 01 T. 42 N., R. 21 E.

San Juan County, Utah



Local Residences Contingency Map

Prevailing Winds
From the Southwest

Legend

- ✱ Proposed Tohonadla wells
- 🏠 Residences
- ▨ 2 miles from wells
- ▩ 1 mile from wells

15 January 2008

PERMITS WEST, INC.
PROVIDING PERMITS FOR LAND USERS
27 VIA RZO LANE, BAPTIST, NEW MEXICO 87112 (505) 466-6120

3.2 Local Residences Key

ID	Name	Phone	Comments
1	Julias Stash	NO	1 beige house, 1 white single wide trailer, 1 hogan
2	Betty Stash	NO	1 light blue house
3	n/a	n/a	2 double wide beige trailers, 1 green house, 1 faded blue house
4	n/a	n/a	1 beige house, 1 gray trailer, 1 small metal building
5	n/a	n/a	1 large tan building (a child development center), 1 white single wide
6	n/a	n/a	1 tan house, small brown trailer
7	n/a	n/a	1 large gray and brown trailer
8	n/a	n/a	1 very large brown house
9	Tom Tsosie Boy	NO	Very large compound- 1 tan trailer, 1 brown double wide, 1 yellowish house, 3 hogans, 1 small brown house, 1 log cabin shed
10	Jean and James Benally	435.459.9975	1 white double wide
11	n/a	n/a	1 yellow house, 1 blue house, 1 white double wide, 1 small white house, 2 hogans, 1 log cabin shed

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/26/2010

API NO. ASSIGNED: 43037500050000

WELL NAME: TOHONADLA 35-P

OPERATOR: NAVAJO NATION OIL & GAS CO (N2550)

PHONE NUMBER: 303 534-8300

CONTACT: Al Zier

PROPOSED LOCATION: SESE 35 410S 210E

Permit Tech Review: ☒

SURFACE: 1219 FSL 0722 FEL

Engineering Review: ☐

BOTTOM: 1219 FSL 0722 FEL

Geology Review: ☒

COUNTY: SAN JUAN

LATITUDE: 37.17651

LONGITUDE: -109.56921

UTM SURF EASTINGS: 627018.00

NORTHINGS: 4115208.00

FIELD NAME: TOHONADLA

LEASE TYPE: 2 - Indian

LEASE NUMBER: 1420603229

PROPOSED PRODUCING FORMATION(S): LEADVILLE

SURFACE OWNER: 2 - Indian

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** INDIAN - BIA RLB0006712

☐ **Potash**

☐ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** 09-135

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☐ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

☐ **R649-2-3.**

Unit:

☐ **R649-3-2. General**

☒ **R649-3-3. Exception**

☒ **Drilling Unit**

Board Cause No: R649-3-3

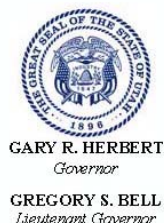
Effective Date:

Siting:

☐ **R649-3-11. Directional Drill**

Comments: Presite Completed
IRR SEC:

Stipulations: 1 - Exception Location - bhill
4 - Federal Approval - dmason
23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: TOHONADLA 35-P
API Well Number: 43037500050000
Lease Number: 1420603229
Surface Owner: INDIAN
Approval Date: 9/2/2010

Issued to:

NAVAJO NATION OIL & GAS CO, P.O. Box 4439, Window Rock, AZ 86515

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the LEADVILLE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during

drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read 'Brad Hill', written over a horizontal line.

Brad Hill

Acting Associate Director, Oil & Gas

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: NAVAJO NATION OIL & GAS COMPANY Operator Account Number: N 2550
Address: PO BOX 4439
city WINDOW ROCK
state AZ zip 86515 Phone Number: (303) 534-8300

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303750005	TOHONADLA 35-P		SESE	35	41S	21E	SAN JUAN
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17840	8/29/2010		10/28/10		
Comments: <u>LDLL</u> <u>8/12/10</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303750006	TOHONADLA 1-E		SWNW	1	42S	21E	SAN JUAN
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17841	8/15/2010		10/28/10		
Comments: <u>LDLL</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED
OCT 25 2010

DIV. OF OIL, GAS & MINING

A. D. Zier

Name (Please Print)

Signature

Operations Engineering Mgr

Title

10/21/2010

Date

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: 1420603229
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO
2. NAME OF OPERATOR: NAVAJO NATION OIL & GAS CO		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 4439 , Window Rock, AZ, 86515		8. WELL NAME and NUMBER: TOHONADLA 35-P
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1219 FSL 0722 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 35 Township: 41.0S Range: 21.0E Meridian: S		9. API NUMBER: 43037500050000
PHONE NUMBER: 303 534-8300 Ext		9. FIELD and POOL or WILDCAT: TOHONADLA
11.		CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 8/29/2010	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Drilled and set 80' of 16" conductor 8/12 to 8/14/2010. Started drilling with Bearcat Drilling LLC at 7AM on 8/29/2010 Surface Casing Detail: Drilled to 1415', ran and cemented 8 5/8" 24#, K55 casing on 8/30/2010. Cemented with 580sx. Cement circulated to surface.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 26, 2010		
NAME (PLEASE PRINT) Al Zier	PHONE NUMBER 303 534-8300	TITLE Operations/Production Manager
SIGNATURE N/A	DATE 10/25/2010	

Bearcat 2

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DAILY DRILLING REPORT - Genesis St Operating, LLC

Bearcat 2

Lease Tohonadla		Well No. 35-P	Location sec.35-41S21E		County/State San Juan Co. Utah		Report Date 09/11/2010
Current Operation Logging		Total Depth 5,887		Footage 42	Hours 4.75	Days Since Spud 14	Cum Rot Hrs. 220
Time Summary		Hrs.		Bit Record		Mud Record	
Drlg.		4.75		Bit No.		3	
Ream/wash		0.75		Size		7 7/8	
Circulating		3.50		Mfg.		Reed	
Rig Serv.		0.25		Type		r30p	
Trips		10.00		Serial No		l81369	
Surveys		0.25		In		5,078	
Cmtg.				Out		5,887	
Run Csg.				Ftg		809	
Ck BOP				Hrs.		70.25	
Logging		4.50		Rate(ft/hr)		11.5	
Rig Rprs				Jets		3x18	
MIRU				TBG		bt/in	
COST DETAIL		DAILY		CUMULATIVE		COST DETAIL	
Loc & Roads				\$18,267		Anchors	
Rig Cost		\$11,850		\$216,857		Cement	
Bits				\$25,400		Welder	
Mud		\$1,018		\$26,219		Surf Rental Equip	
Water		\$480		\$17,920		Fuel	
Supervision		\$750		\$13,400		Trucking	
Geological/Mud Logger		\$1,100		\$7,700		Logging	
Conductor, Rat & Mouse						Test BOPs	
Casing & Pipe				\$32,470		Wellhead (Misc)	
Motor		\$522		\$26,298		TOTAL COST	
						\$16,320	
						\$473,850	
DETAILS:							
6:00AM-8:15AM (2.25) Drlg.							
8:15AM-8:30A M (.25) Rig serv.							
8:30AM-11:00AM (2.5) Drlg.							
11:00AM-1:00PM (2) Pump sweep. Circ.							
1:00PM-6:30PM (5.5) Shot trip to surface csg.							
6:30PM-7:15PM (.75) Reeming 70'.							
7:15PM-8:45PM (1.5) Pump sweep. Circ.							
8:45PM-9:00PM (.25) Survey 1.25 degr. TD.							
9:00PM-1:30AM (4.5) POOH. Strap out 5,888.							
1:30AM-6:00AM (4.5) RU Schlumberger. Run logs to 1,600'. Could not get down.							
Floor hand smashed finger. No loss time.							
Well Site Representative: Randy Shelton							

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Bearcat 2

Tohonadla 35-P report 09-06-2010.XLS

Bearcat 2

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DAILY DRILLING REPORT - Genesis St Operating, LLC

Bearcat 2

Lease Tohonadla		Well No. 35-P	Location sec.35-41S21E		County/State San Juan Co. Utah		Report Date 08/31/2010
Current Operation WO Cement		Total Depth 1,415		Footage 0'	Hours 0	Days Since Spud 3	Cum Rot Hrs. 39.5
Time Summary		Hrs.		Bit Record		Mud Record	
Drlg.		Bit No.		1		Weight	
Ream/wash		Size		12 1/4		Fresh	
Circulating		Mfg.		Reed		H2o	
Rig Serv.		Type		rfx616mio		Collars	
Trips		Serial No		213351		Motor	
Surveys		In		80'		XO	
Cmtg.		Out		1,415		WOB	
Run Csg.		Ftg		1,335'		20,000	
Ck BOP		Hrs.		39.5		RPM (Top/Bit)	
Ck Rotating HD		Rate(ft/hr)		33.8		50/120	
Rig Rprs		Jets				PUMP DATA	
MIRU WOC		TBG				Liners	
						6.5/6.5	
						Stroke	
						115	
						SPM	
						90/90	
						Press(on/off btm)	
						1,100	
COST DETAIL		DAILY		CUMULATIVE		COST DETAIL	
						DAILY	
						CUMULATIVE	
Loc & Roads				\$18,267		Anchors	
Rig Cost		\$11,850		\$86,507		\$852	
Bits				\$11,500		\$35,140	
Mud		\$841		\$8,253		\$40,522	
Water		\$750		\$13,670		\$560	
Supervision		\$750		\$5,150		\$400	
Geological/Mud Logger						\$1,600	
Conductor, Rat & Mouse						\$5,766	
Casing & Pipe		\$27,993		\$30,393		\$13,016	
Motor				\$6,000		\$375	
						\$1,481	
						Logging	
						Test BOPs	
						Wellhead (Misc)	
						\$2,108	
						\$3,278	
						TOTAL COST	
						\$241,049	
DETAILS:							
6:00AM-6:15AM (.25) POOH.							
6:15AM-7:45AM (1.5) GIH. No fill.							
7:45AM-8:00AM (.25) Survey .5 degr. @ 1,415'.							
8:00AM-12:00PM (4) POOH. LD 8" tools.							
12:00PM-2:00PM (2) RU run csg, 34 jts, 8.625" 24# k55 w/ guide shoe & float collar. Landed at 1415'							
Run 5 centralizers. 5' up, 1,2,3,& 5 jts							
2:00PM-3:00PM (1) Circ.							
3:00PAM-6:00PM (3) MIRU Haliburton. Cement. Pump 10 Bbls spacer. Mix & pump 180 Bbbls lead. 430 sax wt. 12.3 yeild 2.36. Pump 31 Bbls. Tail 150 sax wt. 15.8 yeild 1.16. Displace w/ 88.4 Bbls. H2O. Recovered 5 Bbls. Good cement. Stop to stage cement. Cement locked up. Left 8 Bbls in csg.							
6:00PM-12:00AM (6) WO cement.							
12:00AM-1:45AM (1.75) 1" top job. Tag @ 75'. Pump 23 Bbls of cement. 120 sax wt. 15.8 yeild 1.17.							
1:45AM-6:00AM (4.25) WO cement.							
Well Site Representative: Randy Shelton							

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Pete Martin Drilling

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RECEIVED October 25, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9																														
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: 1420603229																														
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO																														
2. NAME OF OPERATOR: NAVAJO NATION OIL & GAS CO		7. UNIT or CA AGREEMENT NAME:																														
3. ADDRESS OF OPERATOR: P.O. Box 4439 , Window Rock, AZ, 86515		8. WELL NAME and NUMBER: TOHONADLA 35-P																														
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		COUNTY: SAN JUAN																														
		STATE: UTAH																														
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																																
TYPE OF SUBMISSION <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 8/29/2010 <input type="checkbox"/> DRILLING REPORT Report Date:	TYPE OF ACTION <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER: <input style="width: 100px;" type="text"/></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR																														
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Drilled and set 80' of 16" conductor 8/12 to 8/14/2010. Started drilling with Bearcat Drilling LLC at 7AM on 8/29/2010 Surface Casing Detail: Drilled to 1415', ran and cemented 8 5/8" 24#, K55 casing on 8/30/2010. Cemented with 580sx. Cement circulated to surface.																																
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 26, 2010																																
NAME (PLEASE PRINT) Al Zier		PHONE NUMBER 303 534-8300																														
SIGNATURE N/A		TITLE Operations/Production Manager																														
		DATE 10/25/2010																														

Bearcat 2

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DAILY DRILLING REPORT - Genesis St Operating, LLC

Bearcat 2

Lease Tohonadla		Well No. 35-P	Location sec.35-41S21E		County/State San Juan Co. Utah		Report Date 09/11/2010
Current Operation Logging		Total Depth 5,887		Footage 42	Hours 4.75	Days Since Spud 14	Cum Rot Hrs. 220
Time Summary	Hrs.	Bit Record		Mud Record		Drlg Assembly	
Drlg.	4.75	Bit No.	3	Weight	9.3	Collars	613.36
Ream/wash	0.75	Size	7 7/8	Visc (Sec)	47	Motor	30.11
Circulating	3.50	Mfg.	Reed	W.L.-CC's	5.6	Hwbp	121.99
Rig Serv.	0.25	Type	r30p	FC 32's	2	WOB	40,000
Trips	10.00	Serial No	I81369	pH	11.5	RPM (Top/Bit)	50/120
Surveys	0.25	In	5,078	Solids %	4		
Cmtg.		Out	5,887	Gels		PUMP DATA	
Run Csg.		Ftg	809	PV	20		
Ck BOP		Hrs.	70.25	YP	10	Liners	6.5
Logging	4.50	Rate(ft/hr)	11.5	SS	0.25	Stroke	9
Rig Rprs		Jets	3x18	CA	200	SPM	116
MIRU		TBG	bt/in	CL	1,800	Press(on/off btm)	1,680
COST DETAIL	DAILY	CUMULATIVE		COST DETAIL	DAILY	CUMULATIVE	
Loc & Roads		\$18,267		Anchors		\$852	
Rig Cost	\$11,850	\$216,857		Cement		\$40,522	
Bits		\$25,400		Welder		\$1,200	
Mud	\$1,018	\$26,219		Surf Rental Equip	\$600	\$8,200	
Water	\$480	\$17,920		Fuel		\$28,466	
Supervision	\$750	\$13,400		Trucking		\$4,121	
Geological/Mud Logger	\$1,100	\$7,700		Logging			
Conductor, Rat & Mouse				Test BOPs		\$2,680	
Casing & Pipe		\$32,470		Wellhead (Misc)		\$3,278	
Motor	\$522	\$26,298		TOTAL COST	\$16,320	\$473,850	
DETAILS:							
6:00AM-8:15AM (2.25) Drlg.							
8:15AM-8:30A M (.25) Rig serv.							
8:30AM-11:00AM (2.5) Drlg.							
11:00AM-1:00PM (2) Pump sweep. Circ.							
1:00PM-6:30PM (5.5) Shot trip to surface csg.							
6:30PM-7:15PM (.75) Reeming 70'.							
7:15PM-8:45PM (1.5) Pump sweep. Circ.							
8:45PM-9:00PM (.25) Survey 1.25 degr. TD.							
9:00PM-1:30AM (4.5) POOH. Strap out 5,888.							
1:30AM-6:00AM (4.5) RU Schlumberger. Run logs to 1,600'. Could not get down.							
Floor hand smashed finger. No loss time.							
Well Site Representative: Randy Shelton							

RECEIVED October 25, 2010

Bearcat 2

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DAILY DRILLING REPORT - Genesis St Operating, LLC

Bearcat 2

Lease Tohonadla		Well No. 35-P	Location sec.35-41S21E	County/State San Juan Co. Utah		Report Date 09/02/2010	
Current Operation Drlg		Total Depth 2,500	Footage 1,085'	Hours 19	Days Since Spud 5	Cum Rot Hrs. 58.5	
Time Summary		Bit Record		Mud Record		Drlg Assembly	
Drlg.	19.00	Bit No.	2	Weight	Fresh	Collars	613.36
Ream/wash	2.00	Size	7 7/8	Visc (Sec)	H2o	Motor	30.11
Circulating		Mfg.	Reed	W.L.-CC's		Hwbp	121.99
Rig Serv.	0.75	Type	e1046b3	FC 32's		WOB	20,000
Trips		Serial No	124414	pH		RPM (Top/Bit)	45/95
Surveys	1.25	In	1,415	Solids %			
Cmtg.		Out		Gels		PUMP DATA	
Run Csg.		Ftg	1,085	PV			
Ck BOP	1 hr	Hrs.	19	YP			
Ck Rotating HD		Rate(ft/hr)	57.1	SS		Stroke	9
Rig Rprs		Jets	6x16	CA		SPM	114
MIRU	10.25	TBG		CL		Press(on/off btm)	1,125
COST DETAIL		DAILY		CUMULATIVE		COST DETAIL	
DAILY		CUMULATIVE		DAILY		CUMULATIVE	
Loc & Roads		\$18,267		Anchors			\$852
Rig Cost	\$11,850	\$110,207		Cement			\$40,522
Bits		\$19,600		Welder			\$1,200
Mud	\$401	\$9,150		Surf Rental Equip	\$600		\$2,800
Water	\$210	\$14,640		Fuel	\$3,680		\$16,696
Supervision	\$750	\$6,650		Trucking			\$1,481
Geological/Mud Logger				Logging			
Conductor, Rat & Mouse				Test BOPs			\$2,680
Casing & Pipe		\$30,393		Wellhead (Misc)			\$3,278
Motor	\$2,310	\$8,530		TOTAL COST			\$286,946
DETAILS:							
6:00AM-7:45AM (1.75) Drlg cement to 1,395.							
7:45AM-8:15AM (.5) Test csg to 1,500 Psi.							
8:15AM-8:30AM (.25) Drlg cement, shoe, and 5' of formation.							
8:30AM-8:45AM (.25) Rig serv.							
8:45AM-9:15AM (.5) .Leak test 375 Psi. Bled down to 345 Psi. 30 mins.							
9:15AM-3:45PM (6.5) Drlg..							
3:45PM-4:00PM (.25) Survey .75 degr @ 1,706'.							
4:00PM-8:00PM (4) Drlg..							
8:00PM-8:30P[M (.5) Rig serv.							
8:30PM-11:15P[M (.2.75) Drlg..							
11:15PM-11:45P[M (.5) Survey 1.25 degr. @ 2.095..							
11:45PM-4:00A[M (4.25) Drlg.							
4:00AM-4:30AM (.5) survey 1 degr. @ 2,347.							
4:30AM-6:00A[M (1.5) Drlg.							
Well Site Representative: Randy Shelton							

RECEIVED October 25, 2010

Bearcat 2

RECEIVED October 25, 2010

DAILY DRILLING REPORT - Genesis St Operating, LLC

Bearcat 2

Lease Tohonadla		Well No. 35-P	Location sec.35-41S21E	County/State San Juan Co. Utah		Report Date 08/31/2010	
Current Operation WO Cement		Total Depth 1,415	Footage 0'	Hours 0	Days Since Spud 3	Cum Rot Hrs. 39.5	
Time Summary	Hrs.	Bit Record		Mud Record		Drlg Assembly	
Drlg.		Bit No.	1	Weight	Fresh	Collars	
Ream/wash		Size	12 1/4	Visc (Sec)	H2o	Motor	
Circulating	1.00	Mfg.	Reed	W.L.-CC's		XO	
Rig Serv.		Type	rxf616mio	FC 32's		WOB	20,000
Trips	5.75	Serial No	213351	pH		RPM (Top/Bit)	50/120
Surveys	0.25	In	80'	Solids %			
Cmtg.	4.75	Out	1,415	Gels			
Run Csg.	2.00	Ftg	1,335'	PV		PUMP DATA	
Ck BOP		Hrs.	39.5	YP		Liners	6.5/6.5
Ck Rotating HD		Rate(ft/hr)	33.8	SS		Stroke	115
Rig Rprs		Jets		CA		SPM	90/90
MIRU WOC	10.25	TBG		CL		Press(on/off btm)	1,100
COST DETAIL	DAILY	CUMULATIVE		COST DETAIL	DAILY	CUMULATIVE	
Loc & Roads		\$18,267		Anchors		\$852	
Rig Cost	\$11,850	\$86,507		Cement	\$35,140	\$40,522	
Bits		\$11,500		Welder		\$560	
Mud	\$841	\$8,253		Surf Rental Equip	\$400	\$1,600	
Water	\$750	\$13,670		Fuel	\$5,766	\$13,016	
Supervision	\$750	\$5,150		Trucking	\$375	\$1,481	
Geological/Mud Logger				Logging			
Conductor, Rat & Mouse				Test BOPs			
Casing & Pipe	\$27,993	\$30,393		Wellhead (Misc)	\$2,108	\$3,278	
Motor		\$6,000		TOTAL COST		\$241,049	
DETAILS:							
6:00AM-6:15AM (.25) POOH.							
6:15AM-7:45AM (1.5) GIH. No fill.							
7:45AM-8:00AM (.25) Survey .5 degr. @ 1,415'.							
8:00AM-12:00PM (4) POOH. LD 8" tools.							
12:00PM-2:00PM (2) RU run csg, 34 jts, 8.625" 24# k55 w/ guide shoe & float collar. Landed at 1415'							
Run 5 centralizers. 5' up, 1,2,3,& 5 jts							
2:00PM-3:00PM (1) Circ.							
3:00PAM-6:00PM (3) MIRU Haliburton. Cement. Pump 10 Bbls spacer. Mix & pump 180 Bbbls lead. 430 sax wt. 12.3 yeild 2.36. Pump 31 Bbls. Tail 150 sax wt. 15.8 yeild 1.16. Displace w/ 88.4 Bbls. H2O. Recovered 5 Bbls. Good cement. Stop to stage cement. Cement locked up. Left 8 Bbls in csg.							
6:00PM-12:00AM (6) WO cement.							
12:00AM-1:45AM (1.75) 1" top job. Tag @ 75'. Pump 23 Bbls of cement. 120 sax wt. 15.8 yeild 1.17.							
1:45AM-6:00AM (4.25) WO cement.							
Well Site Representative: Randy Shelton							

RECEIVED October 25, 2010

Bearcat 2

RECEIVED October 25, 2010

Bearcat 2

RECEIVED October 25, 2010

Bearcat 2

RECEIVED October 25, 2010

Bearcat 2

RECEIVED October 25, 2010

Pete Martin Drilling

RECEIVED October 25, 2010

Pete Martin Drilling

RECEIVED October 25, 2010

Pete Martin Drilling

RECEIVED October 25, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9																														
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: 1420603229																														
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO																														
2. NAME OF OPERATOR: NAVAJO NATION OIL & GAS CO		7. UNIT or CA AGREEMENT NAME:																														
3. ADDRESS OF OPERATOR: P.O. Box 4439 , Window Rock, AZ, 86515		8. WELL NAME and NUMBER: TOHONADLA 35-P																														
PHONE NUMBER: 303 534-8300 Ext		9. API NUMBER: 43037500050000																														
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1219 FSL 0722 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 35 Township: 41.0S Range: 21.0E Meridian: S		9. FIELD and POOL or WILDCAT: TOHONADLA																														
		COUNTY: SAN JUAN																														
		STATE: UTAH																														
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																																
TYPE OF SUBMISSION <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	TYPE OF ACTION <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER: <input style="width: 100px;" type="text"/></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>
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<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>																														
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.																																
<p style="margin: 0;">Accepted by the</p> <p style="margin: 0;">Utah Division of</p> <p style="margin: 0;">Oil, Gas and Mining</p> <p style="margin: 0; font-size: 1.2em;">FOR RECORD ONLY</p>																																
NAME (PLEASE PRINT) Al Zier	PHONE NUMBER 303 534-8300	TITLE Operations/Production Manager																														
SIGNATURE N/A		DATE 3/14/2011																														

Tohonadla 35-P Testing Results

Spud: 29 Aug 2010	Rig Release: 14 Sep 2010		
	Completion Start: 28 Oct 2010	Final Report: 13 Jan 2011	On Production: 22 Jan 2011
KB: 4700 ft	GL: 4688 ft		

		Daily swab results							RFT Results			
Perforated Zone	Stimulation	Date	SITP (psi)	BO	BSW	BLW	Fluid Level	Swab runs	Depth (ft)	Pressure(psi)	Gradient (psi/ft)	Comments
5772' - 5774' Pinkerton Trail	500 gal. 15% HCl @ 2.5 bpm & 2450 psi	11/5/2010				46.8	NR	7				30% oil cut on last 3 runs Isolated by CIBP set at 5768'
		11/6/2010	28	20	44.8	35.2	1400'-4500'	17				
		11/8/2010	120	26	82		1800'-4800'	26				
		11/9/2010	60	24	71		2500'-4900'	27				
Total				70	197.8							
5746' - 5754' Pinkerton Trail	no stimulation	11/10/2010			40	33	1800'	14				oil cut at 10% on last run
		11/11/2010	55	25	76		2200'-5100'	31				
Total				25	116							
5712' - 5720' L. Barker Creek	no stimulation	11/12/2010		10	49		2100'-5200'	14	5718	1208	0.211	up to 30% oil cut Isolated by CIBP set at 5680'
		11/15/2010	55	15	106		1800'-4900'	23	5715	1183	0.207	
Total				25	155							
5615' - 5626' L. Barker Creek	1000 gal.? 15% HCl @ 1.0-1.7 bpm & 2000 psi. * 1500 gal 15% HCL w/ball sealers at 4.7 bpm & 2300 psi	11/17/2010		7		60	NR - 3800'	16	5622	1472	0.262	Avg. oil cut 65%, last run 90% oil cut at 65% on last run 9 BLW left to recover
		11/18/2010	160	29		18	3300'-NR	17	5620	1573	0.28	
		11/19/2010 *		10		60	NR - 4900'	17				
		11/22/2010	100	41		17	2200'-4500'	17				
Total				87								
5585' - 5600' M. Barker Creek	no stimulation	11/23/2010		2		45	NR - 4500'	7	5598	1516	0.27	oil cut at 30% on last run oil cut at 70% on last run
		11/24/2010	90	21	44	20	2200'-3800'	17	5593	1506		
		11/29/2010	390	57	12		0' - 4200'	18				
		11/30/2010	260	43	11		600'-4400'	13				
		12/1/2010	320	22	10		2900'-4200'	8				
Total				145	77							
5556' - 5564' M. Barker Creek	no stimulation	12/2/2010				32	500'-3900'	5	5562	1716	0.309	oil cut at 30% on last run oil cut at 30% on last run
		12/3/2010	30	15	58		2900'-4800'	23	5560	1645	0.294	
		12/6/2010	320	27	32		2700'-4800'	20				
		12/7/2010	215	27	12		2900'-4500'					
Total				69	102							
5455' - 5465' Aka	1000 gal. 15% HCl @ 2 bpm & 2000 psi w/bio balls	12/9/2010				36	NR	5				no fluid entry, 46 BLW LTR
		12/13/2010	40			9	3300' - Pkr	5				
5255' - 5270' M. Desert Creek	1000 gal. 15% HCl @ 1.2 bpm & 3600 psi	12/15/2010				35	NR	9				no fluid on last 4 runs 5 BLW left to recover
		12/16/2010	0			15	NR	NR				
5156' - 5166' M. Desert Creek	840 gal. 15% HCl @ 1.4 bpm & 3500 psi w/bio balls	12/17/2010		19		42	0' - 4600'	14	5164	2089	0.4	Last run was 80% oil 14 BLW left to recover
		12/20/2010	120	18		18	2400' - NR	19	5161.5	2024	0.39	
		12/21/2010	80	15		9	4000' - NR	14				
Total				52								
5108' -5115' 5118' - 5126' U. Desert Creek	1000 gal. 15% HCl @ 1.8 bpm & 3456 psi	12/23/2010	0	10		40	NR	11	5124	2360	0.46	22 BLW left to recover
		12/27/2010	0	12		17	2200'-NR	13	5110	2465	0.48	
		12/28/2010	50	6		8	3900'-NR	12				
Total				28								
5030' - 5038' Lower Ismay	100 gal. 15% HCl @ 1 bpm & 4300 psi w/bio balls	1/3/2011				33	NR	NR	5062	1577	0.31	No fluid entry last 4 runs 86 BLW left to recover
		1/4/2011	20	3		2	NR	7	5057	2008	0.4	
		1/5/2011	slight blow	2		1	NR	5	5034	1395	0.28	
Total				5								
4940' - 4950' Upper Ismay	100 gal. 15% HCl @ 1.5 bpm & 3300 psi w/bio balls	1/7/2011	100	5		31		12				Last 4 runs 100% oil, 53 BLW LTR
		1/10/2011	80	5								
Total				10								

* 2nd Acid job w/diversion

NR - Not reported, SFL - starting fluid level, LTR - left to recover

CIBP's set at 5680' & 5768'

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/1/2011

FROM: (Old Operator): N2190-ST Oil Company 1675 Broadway, Suite 1100 Denver, CO 80202 Phone: 1 (303) 296-1908	TO: (New Operator): N3600-Genesis ST Operating, LLC 1660 Lincoln Street, Suite 2100 Denver, CO 80064 Phone: 1 (303) 296-1908
--	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
TOHONADLA 35-P	35	410S	210E	4303750005	17840	Indian	OW	P
TOHONADLA 1-E	01	420S	210E	4303750006	17841	Indian	OW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 4/19/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: Designation of Agent
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/9/2011
- 4a. Is the new operator registered in the State of Utah: Business Number: 7073743-0161
- 5a. (R649-9-2)Waste Management Plan has been received on: Requested 4/21/2011
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: OK
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 4/19/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/19/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: RLB0006712
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- 3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Tohonadla
LEASE NUMBER: Tribal No. 14-20-603-229

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and hereby designates

DIV. OF OIL, GAS & MINING

NAME: Genesis ST Operating LLC N3600
ADDRESS: 1660 Lincoln Street, Suite 2100
city Denver state CO zip 80264

(303) 296-1908

as his (check one) agent ☒ / operator ☐, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

Oil Well	API Number	Entity Number
Tohonadla 35-P	43-037-50005	17840

Bond # RLB 000 6712

APPROVED 4/19/2011
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 01/01/2011

BY: (Name) Lauren Germinario
(Signature) Lauren Germinario
(Title) Land Manager
(Phone) (303) 534-8300

OF: (Company) Navajo Nation Oil & Gas Company N2550
(Address) 1675 Broadway, Suite 1100
city Denver
state CO zip 80202

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-603-229							
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo							
2. NAME OF OPERATOR: Navajo Nation Oil & Gas Company		7. UNIT or CA AGREEMENT NAME N/A							
3. ADDRESS OF OPERATOR: P.O. Box 4439 CITY Window Rock STATE AZ ZIP 86515		8. WELL NAME and NUMBER: Tohonadla 35-P							
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1219 FSL 722 FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		9. API NUMBER: 4303750005							
10. FIELD AND POOL, OR WILDCAT Tohonadla		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 35 41S 21E							
12. COUNTY SAN JUAN		13. STATE UTAH							
14. DATE SPUDDED: 8/29/2010		15. DATE T.D. REACHED: 9/11/2010							
16. DATE COMPLETED: 1/13/2011		ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>							
17. ELEVATIONS (DF, RKB, RT, GL): 4699 DF, 4700 KB, 4688 GL		18. TOTAL DEPTH: MD 5,887 TVD 5,887							
19. PLUG BACK T.D.: MD TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY? * 9							
21. DEPTH BRIDGE MD 5680 # 5768 PLUG SET: TVD		22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) ✓ CBL/GR, ✓ APS/Sonic/DTCO, ✓ BHC Sonic/GR, ✓ Caliper, ✓ Triple Combo/GR/SP, ✓ CML/LD/GR/SP							
23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)									
24. CASING AND LINER RECORD (Report all strings set in well)									
HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8 K-55	24	0	1,415		PBR-2 430		Surface	
						G 150			
7 7/8	5 1/2 J-55	17	0	5,887	4,885	G 250		240	
						LIGHT 925			
25. TUBING RECORD									
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2 7/8	5,657								
26. PRODUCING INTERVALS <i>PRDX</i>					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) see attached								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL							
see attached									
29. ENCLOSED ATTACHMENTS:								30. WELL STATUS:	
<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS				<input type="checkbox"/> GEOLOGIC REPORT				<input type="checkbox"/> DST REPORT	
<input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION				<input type="checkbox"/> CORE ANALYSIS				<input checked="" type="checkbox"/> OTHER: test summary	

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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/22/2011		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 35	CSG. PRESS. 35	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS .	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

vented

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Upper Ismay	4,940	4,950			
Lower Ismay	5,030	5,038			
U. Desert Creek	5,108	5,126			
M. Desert Creek	5,156	5,270			
Akah	5,455	5,465			
M. Barker Creek	5,556	5,600			
L. Barker Creek	5,616	5,720			
Pinkerton Trail	5,746	5,774			

35. ADDITIONAL REMARKS (Include plugging procedure)

Production test 3/2/2011: 15 BO, 13 BW, 24 hrs on pump, see the attachment for additional Testing Results.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT)

A.D. Zier

TITLE

Ops/Eng Manager

SIGNATURE

DATE

3-22-11

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR:
Navajo Nation Oil & Gas Company

3. ADDRESS OF OPERATOR:
P.O. Box 4439 CITY Window Rock STATE AZ ZIP 86515

PHONE NUMBER:
(303) 534-8300

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1219 FSL 722 FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 35 41S 21E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
14-20-603-229

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Navajo

7. UNIT or CA AGREEMENT NAME:
N/A

8. WELL NAME and NUMBER:
Tohonadla 35-P

9. API NUMBER:
4303750005

10. FIELD AND POOL, OR WILDCAT:
Tohonadla

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Date of first production 1/22/2011

Commingle formations: Upper Ismay, Lower Ismay, Upper Desert Creek, Middle Desert Creek, Akah, Upper Barker Creek, Middle Barker Creek, Lower Barker Creek.

Production Test 3/2/11: 15 BO 13 BW, 24 hrs on pump

NAME (PLEASE PRINT) A. D. Zier

TITLE Ops/Eng Manager

SIGNATURE [Signature]

DATE 3-22-11

(This space for State use only)

RECEIVED

APR 07 2011

DIV. OF OIL, GAS & MINING

Tohonadla 35-P Testing Results

Spud: 29 Aug 2010	Rig Release: 14 Sep 2010
Completion Start: 28 Oct 2010	Final Report: 13 Jan 2011 On Production: 22 Jan 2011
KB: 4700 ft	GL: 4688 ft

Daily swab results									RFT Results			
Perforated Zone	Stimulation	Date	SITP (psi)	BO	BSW	BLW	Fluid Level	Swab runs	Depth (ft)	Pressure(psi)	Gradient (psi/ft)	Comments
5772' - 5774' Pinkerton Trail	500 gal. 15% HCl @ 2.5 bpm & 2450 psi	11/5/2010				46.8	NR	7				
		11/6/2010	28	20	44.8	35.2	1400'-4500'	17				30% oil cut on last 3 runs
		11/8/2010	120	26	82		1800'-4800'	26				
		11/9/2010	60	24	71		2500'-4900'	27				Isolated by CIBP set at 5768'
Total				70	197.8							
5746' - 5754' Pinkerton Trail	no stimulation	11/10/2010			40	33	1800'	14				oil cut at 10% on last run
		11/11/2010	55	25	76		2200'-5100'	31				
Total				25	116							
5712' - 5720' L. Barker Creek	no stimulation	11/12/2010		10	49		2100'-5200'	14	5718	1208	0.211	up to 30% oil cut
		11/15/2010	55	15	106		1800'-4900'	23	5715	1183	0.207	Isolated by CIBP set at 5680'
Total				25	155							
5615' - 5626' L. Barker Creek	1000 gal. ? 15% HCl @ 1.0-1.7 bpm & 2000 psi. * 1500 gal 15% HCL w/ball sealers at 4.7 bpm & 2300 psi	11/17/2010		7		60	NR - 3800'	16	5622	1472	0.262	
		11/18/2010	160	29		18	3300'-NR	17	5620	1573	0.28	Avg. oil cut 65%, last run 90%
		11/19/2010	*	10		60	NR - 4900'	17				oil cut at 65% on last run
		11/22/2010	100	41		17	2200'-4500'	17				9 BLW left to recover
Total				87								
5585' - 5600' M. Barker Creek	no stimulation	11/23/2010		2		45	NR - 4500'	7	5598	1516	0.27	oil cut at 30% on last run
		11/24/2010	90	21	44	20	2200'-3800'	17	5593	1506		
		11/29/2010	390	57	12		0' - 4200'	18				oil cut at 70% on last run
		11/30/2010	260	43	11		600'-4400'	13				
		12/1/2010	320	22	10		2900'-4200'	8				
Total				145	77							
5556' - 5564' M. Barker Creek	no stimulation	12/2/2010				32	500'-3900'	5	5562	1716	0.309	
		12/3/2010	30	15	58		2900'-4800'	23	5560	1645	0.294	oil cut at 30% on last run
		12/6/2010	320	27	32		2700'-4800'	20				oil cut at 30% on last run
		12/7/2010	215	27	12		2900'-4500'					
Total				69	102							
5455' - 5465' Akah	1000 gal. 15% HCl @ 2 bpm & 2000 psi w/bio balls	12/9/2010				36	NR	5				
		12/13/2010	40			9	3300' - Pkr	5				no fluid entry, 46 BLW LTR
5255' - 5270' M. Desert Creek	1000 gal. 15% HCl @ 1.2 bpm & 3600 psi	12/15/2010				35	NR	9				no fluid on last 4 runs
		12/16/2010	0			15	NR	NR				5 BLW left to recover
5156' - 5166' M. Desert Creek	840 gal. 15% HCl @ 1.4 bpm & 3500 psi w/bio balls	12/17/2010		19		42	0' - 4600'	14	5164	2089	0.4	Last run was 80% oil
		12/20/2010	120	18		18	2400' - NR	19	5161.5	2024	0.39	
		12/21/2010	80	15		9	4000' - NR	14				14 BLW left to recover
Total				52								
5108' - 5115' 5118' - 5126' U. Desert Creek	1000 gal. 15% HCl @ 1.8 bpm & 3456 psi	12/23/2010	0	10		40	NR	11	5124	2360	0.46	
		12/27/2010	0	12		17	2200'-NR	13	5110	2465	0.48	
		12/28/2010	50	6		8	3900'-NR	12				22 BLW left to recover
Total				28								
5030' - 5038' Lower Ismay	100 gal. 15% HCl @ 1 bpm & 4300 psi w/bio balls	1/3/2011				33	NR	NR	5062	1577	0.31	
		1/4/2011	20	3		2	NR	7	5057	2008	0.4	No fluid entry last 4 runs
		1/5/2011	slight blow	2		1	NR	5	5034	1395	0.28	86 BLW left to recover
Total				5								
4940' - 4950' Upper Ismay	100 gal. 15% HCl @ 1.5 bpm & 3300 psi w/bio balls	1/7/2011	100	5		31		12				Last 4 runs 100% oil, 53 BLW LTR
		1/10/2011	80	5								
Total				10								

* 2nd Acid job w/diversion

NR - Not reported, SFL - starting fluid level, LTR - left to recover

CIBP's set at 5680' & 5768'

Carol Daniels - FW: TOHONADLA 35-P

From: "Al Zier"
To: "Carol Daniels"
Date: 4/20/2011 3:31 PM
Subject: FW: TOHONADLA 35-P
CC: "Lauren Germinario"
Attachments: "Lauren Germinario"

Carol,

All the testing was done by swabbing. The well did not flow other than to alleviate shut-in pressure after being shut-in overnight. Tubing & casing pressure was 35 psi during all testing.

Regards, Al

From: Richard Ferris [mailto:rferris@trinitymgt.com]
Sent: Monday, April 18, 2011 2:07 PM
To: Al Zier
Subject: RE: TOHONADLA 35-P

No Choke. Test was pumping down flow line with a tubing and casing pressure of 35 psi.

Rich Ferris

From: Al Zier [mailto:azier@nnogc.com]
Sent: Monday, April 18, 2011 11:08 AM
To: Rich Ferris
Subject: FW: TOHONADLA 35-P

Rich,

Do you have any choke sizes, tubing, and casing pressures I can add? Lauren had attached the table I prepared, but it has apparently went missing so I need to resend it. I only had shut-in tubing pressures.

Thanks,

Al

From: Carol Daniels [mailto:caroldaniels@utah.gov]
Sent: Monday, April 18, 2011 10:47 AM

To: Al Zier

Subject: TOHONADLA 35-P

Thank you for replying!

Missing information on the "Well Completion or Recompletion Report and log" Form 8:

Item 27. Perforation record - no perf's were listed

Item 31. 24-hour test - was their a choke size, tubing & casing pressures

Any questions, let me know.

Carol Daniels
State of Utah
Division of Oil, Gas & Mining
(801) 538-5284
caroldaniels@utah.gov

Carol Daniels - RE: TOHONADLA 35-P

From: "Al Zier"
To: "Carol Daniels"
Date: 4/18/2011 11:20 AM
Subject: RE: TOHONADLA 35-P

Carol,

Apparently the table Lauren attached went missing. I am trying to get more information on choke, tubing, and casing pressures as the reports were rather sparse on that information. Soon as I get it, I will send it to you.

Thanks, Al

From: Carol Daniels [mailto:caroldaniels@utah.gov]
Sent: Monday, April 18, 2011 10:47 AM
To: Al Zier
Subject: TOHONADLA 35-P

Thank you for replying!

Missing information on the "Well Completion or Recompletion Report and log" Form 8:

Item 27. Perforation record - no perf's were listed

Item 31. 24-hour test - was their a choke size, tubing & casing pressures

Any questions, let me know.

Carol Daniels
State of Utah
Division of Oil, Gas & Mining
(801) 538-5284
caroldaniels@utah.gov

Carol Daniels - TOHONADLA 35-P

From: Carol Daniels
To: azier@nnogc.com
Subject: TOHONADLA 35-P

Missing information on the "Well Completion or Recompletion Report and log" Form 8:

Item 27. Perforation record - no perf's were listed

Item 31. 24-hour test - was their a choke size, tubing & casing pressures

Any questions, let me know.

Carol Daniels
State of Utah
Division of Oil, Gas & Mining
(801) 538-5284
caroldaniels@utah.gov

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: TOHONADLA 35-P

API number: 4303750005

Well Location: QQ SESE Section 35 Township 41S Range 21E County SAN JUAN

Well operator: NAVAJO NATION OIL & GAS COMPANY

Address: P.O. BOX 4439

city WINDOW ROCK state AZ zip 86515

Phone: (303) 534-8300

Drilling contractor: BEAR CAT DRILLING

Address: P.O. BOX 717

city FARMINGTON state NM zip 87499

Phone: (505) 327-5218

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
			NO WATER ENCOUNTERED

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

RECEIVED

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

APR 07 2011

DIV. OF OIL, GAS & MINING

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) A. D. Zier

TITLE Ops/Eng Manager

SIGNATURE [Signature]

DATE 3-22-11

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Genesis ST Operating LLC Operator Account Number: N 3600
Address: 1660 Lincoln Street, Suite 2100
city Denver
state CO zip 80264 Phone Number: (303) 296-1908

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303750005	Tohonadla 35-P		SESE	35	41S	21E	SAN JUAN
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	17840	11202	8/12/2010		1/1/2011		
Comments: CHANGE TO MAKE ALL WELLS ON LEASE USE SAME ENTITY NUMBER <u>PRDX</u> <u>4/25/11</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303750006	Tohonadla 1-E		SWNW	1	41S	21E	SAN JUAN
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	17841	06230	8/15/2010		1/1/2011		
Comments: CHANGE TO MAKE BOTH WELLS ON LEASE USE SAME ENTITY NUMBER <u>ISmy</u> <u>4/25/11</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RICHARD A. FERRIS

Name (Please Print)

Richard A. Ferris

Signature

CHIEF OPERATIONS ENGINE 4/19/2011

Title

Date

APR 25 2011

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 18 2011

FORM APPROVED

OMB No. 1004-0135

Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Navajo Nation Oil & Gas Co., Inc

3a. Address

P.O. Box 4439, Window Rock, AZ 86515

3b. Phone No. (include area code)

(928) 871-4880

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL: 1219' fsl x 722 fel, Sec 35 T41S, R21E

Lease Serial No.

14-20-603-229

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA. Agreement Designation

8. Well Name and No.

Tohonadla 35-P

9. API Well No.

43-037-50005

10. Field and Pool, or Exploratory Area

Tohonadla Barker Creek

11. County or Parish, State

San Juan Co., Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-off☐ Altering Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☒ Subsequent Report☐ Casing Repair☐ New Construction☐ Recomplete☒ Other☐ Change Plans☐ Plug and abandon☐ Temporarily Abandon

Drilled 1" x 300' Laterals

☐ Final Abandonment Notice☐ Convert to Injection☐ Plug back☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Jet Drilled 300' laterals and stimulated Barker Creek, Desert Creek and Ismay intervals as follows: (4/11/2011 to 5/23/2011)

1. Drilled 4 - 1" holes in casing and used a high pressure jetting tool to create 300' horizontal laterals 90 degrees apart. The depth of each set of laterals was at the following depths: 4941' (Upper Ismay), 5160' (Desert Creek), 5558' (Upper Barker Creek), 5596' (Mid Barker Creek) & 5621' (Mid Barker Creek).
3. After jetting the 5 sets of laterals (20 holes) each set was acidized with 3500 gallons 15% HCL and swabbed.
4. Pumping production equipment was rerun to produce.
5. Average producing rate for first 40 days was 25 barrels oil per day and 25 barrels water per day
Rate prior to work was 13 barrels oil per day and 10 barrels water per day.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

Richard A Ferris

Signature

Richard A. Ferris

Title

Chief Operations Engineer - Trinity Petroleum Management, LLC

Date

July 14, 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

8/1/2010

FROM: (Old Operator): N2550- Navajo Oil & Gas Cp. 1625 Broadway, Suite 1100 Denver, CO 80202 Phone: 1 (303) 534-8300	TO: (New Operator): N3930- NNOGC Exploration & Production, LLC 1625 Broadway, Suite 1000 Denver, CO 80202 Phone: 1 (303)534-8300
---	--

CA No.				Unit:	N/A			
WELL NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/19/2012
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/19/2012
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 12/31/2012
- 4a. Is the new operator registered in the State of Utah: _____ Business Number: 8399948-0165
- 5a. (R649-9-2)Waste Management Plan has been received on: Not Yet
- 5b. Inspections of LA PA state/fee well sites complete on: 12/31/2102
- 5c. Reports current for Production/Disposition & Sundries on: 12/31/2012
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA 8/1/2012
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 8/1/2010
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 12/31/2102
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/31/2012
- Bond information entered in RBDMS on: 12/31/2012
- Fee/State wells attached to bond in RBDMS on: 12/31/2012
- Injection Projects to new operator in RBDMS on: 12/31/2012
- Receipt of Acceptance of Drilling Procedures for APD/New on: 12/31/2012

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: N/A
- Indian well(s) covered by Bond Number: RLB0006712
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- 3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Navajo Nations Oil Gas Co. (N2550) to NNOGC Exploration Production, LLC (N3930)
Effective 8/1/2012

Well Name	Sec	TWP	RNG	API	Entity	Lease	Well Type	Well Status
TOHONADLA 26-OSCAR	26	410S	210E	4303750022		Indian	OW	APD
TOHONADLA 35-F	35	410S	210E	4303750024		Indian	OW	APD
TOHONADLA 2-G	02	420S	210E	4303750027		Indian	OW	APD
TOHONADLA 2-B	02	420S	210E	4303750028		Indian	OW	APD
TOHONADLA 1-C	01	420S	210E	4303750029		Indian	OW	APD
TOHONADLA 2-BRAVO	02	420S	210E	4303750030		Indian	OW	APD
TOHONADLA 1-F	01	420S	210E	4303750031		Indian	OW	APD
TOHONADLA 2-H	02	420S	210E	4303750032		Indian	OW	APD
TOHONADLA 1-Delta	01	420S	210E	4303750033		Indian	OW	APD
TOHONADLA 35-INDIGO	35	410S	210E	4303750034		Indian	OW	APD
TOHONADLA 35-J	35	410S	210E	4303750035		Indian	OW	APD
UTE CANYON 25G-O	25	410S	210E	4303731913	18823	Indian	OW	DRL
TOHONADLA 35-B	35	410S	210E	4303750023	18824	Indian	OW	DRL
UTE CYN 23-INDIGO	23	410S	210E	4303731880		Indian	OW	LA
TOHONADLA 35-P	35	410S	210E	4303731886		Indian	OW	LA
TOHONADLA 1-E	01	420S	210E	4303731887		Indian	OW	LA
TOHONADLA 1-D	01	420S	210E	4303731888		Indian	OW	LA
TOHONADLA 26-O	26	410S	210E	4303731896		Indian	OW	LA
UTE CYN 23-INDIGO	23	410S	210E	4303731911		Indian	OW	LA
NAVAJO TR 23-1	02	420S	210E	4303715540	6230	Indian	OW	P
DESERT CREEK 2	35	410S	230E	4303715868	6270	Indian	OW	P
TOHONADLA 1	35	410S	210E	4303715872	11202	Indian	OW	P
TOHONADLA 23-35	35	410S	210E	4303715874	11202	Indian	OW	P
NAVAJO TRIBAL 23-13	13	400S	240E	4303730971	9420	Indian	OW	P
NAVAJO TRIBAL 14-10	10	400S	240E	4303730977	10130	Indian	OW	P
SAHGZIE 1	05	420S	240E	4303731472	11032	Indian	OW	P
ANASAZI 1	05	420S	240E	4303731478	11042	Indian	OW	P
CAJON MESA 8D-1	08	400S	250E	4303731497	11074	Indian	OW	P
MONUMENT 8N-2	08	400S	250E	4303731509	11087	Indian	OW	P
RUNWAY 10G-1	10	400S	250E	4303731515	11105	Indian	OW	P
LONE MOUNTAIN CREEK 12F-1	12	420S	240E	4303731545	11148	Indian	OW	P
RUNWAY 10E-2	10	400S	250E	4303731550	11128	Indian	GW	P
BLUE HOGAN 1J-1	01	420S	230E	4303731562	11161	Indian	OW	P
TOHONADLA 2-35	35	410S	210E	4303731568	11202	Indian	OW	P
ANASAZI 5L-3	05	420S	240E	4303731572	11207	Indian	OW	P
BROWN HOGAN 1A-2	01	420S	230E	4303731573	11215	Indian	OW	P
MULE 31K (N)	31	410S	240E	4303731617	11326	Indian	OW	P
BURRO 31I	31	410S	240E	4303731708	11496	Indian	OW	P
MULE 31M	31	410S	240E	4303731710	11498	Indian	OW	P
ANASAZI 6H-1	06	420S	240E	4303731744	11773	Indian	OW	P
TOHONADLA 35-P	35	410S	210E	4303750005	11202	Indian	OW	P
TOHONADLA 1-E	01	420S	210E	4303750006	6230	Indian	OW	P
NAVAJO TRIBAL 41-2	02	420S	240E	4303731041	9437	Indian	OW	PA
MONUMENT 17E-2	17	400S	250E	4303731547	11139	Indian	OW	S
RUNWAY 10C-5A	10	400S	250E	4303731597	11152	Indian	OW	S
UTE CYN 23-P	23	410S	210E	4303731881	17282	Indian	OW	S

NAVAJO NATION OIL & GAS COMPANY

EXPLORATION & PRODUCTION LLC

1675 Broadway, Suite 1100 • Denver, Colorado • 80202

Telephone (303) 534-8300 • FAX (303) 534-1405



September 18, 2012

Utah Division of Oil, Gas and Mining
c/o Rachel Medina
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RECEIVED
SEP 19 2012
DIV. OF OIL, GAS & MINING

RE: Change of Operator Name and Address for Wells

Dear Rachel,

I am including with this letter several original FORM 9 to change the operator on wells. This probably will be done in two steps.

1. (16 wells) Change of Operator from RIM Southwest Corporation to Navajo Nation Oil & Gas Co.
2. (Same 16 wells) Change of Operator from Navajo Nation Oil & Gas Co. to NNOGC Exploration and Production, LLC.

We have recently registered our LLC with the State of Utah. The Utah Entity Number for NNOGC Exploration and Production, LLC is: 8399948-0165. Also, a new DOGM No. has been applied for for the LLC.

The name and address change is as follows:

OLD: Navajo Nation Oil & Gas Co.
1675 Broadway, Suite 1100
Denver, CO 80202
(DOGM Operator No. N2550)

NEW: NNOGC Exploration and Production, LLC
1625 Broadway, Suite 1000
Denver, CO 80202

Should you require any additional information please contact me at 303-534-8300.

Sincerely,

Katie Hynes
Associate Landman

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR:
Navajo Nation Oil & Gas Co.

3. ADDRESS OF OPERATOR:
1675 Broadway, Suite 1100 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 534-8300

4. LOCATION OF WELL
FOOTAGES AT SURFACE: See Attached List

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:
See Attached

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Navajo Nation

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
See Attached

9. API NUMBER:
Various

10. FIELD AND POOL, OR WILDCAT:
Various

COUNTY: San Juan

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The Navajo Nation Oil and Gas Co. has registered its new entity with the State of Utah. The Operator Name and Address change applies to all wells currently operated by DOGm No. N2550 (see attachment).

The Utah Entity Number for the LLC is: 8399948-0165.

The new Entity is:

NNOGC Exploration and Production, LLC
1625 Broadway, Suite 1000
Denver, CO 80202

NEW DOGm No.: 3930

Bond No. RLB0006712

Effective: July 10, 2010

NAME (PLEASE PRINT) Lauren Germinario

TITLE Land Manager

SIGNATURE

APPROVED

DATE 9/14/12

(This space for State use only)

DEC 31 2012

RECEIVED

DIV. OIL GAS & MINING
BY: Rachel Medina

SEP 17 2012

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
2. NAME OF OPERATOR: Navajo Nation Oil & Gas Co		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Navajo Nation
3. ADDRESS OF OPERATOR: P.O. Box 5069 CITY Window Rock STATE AZ ZIP 86515		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: See Attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: Various
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Various
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The Navajo Nation Oil & Gas Co. has registered its new entity with the State of Utah. The name and address change applies to all the wells that have recently changed from RIM Southwest Corporation to Navajo Nation Oil & Gas Co. (DOGM No. N2550)

The Utah Entity Number for the LLC is: 8399948-0165

Note: A new DOGM No. has been applied for NNOGC Exploration and Production, LLC

Please see the attached list of wells that will now be operated by:

NNOGC Exploration and Production, LLC
1625 Broadway, Suite 1000
Denver, CO 80202

All of these wells are covered by Bond No. RLB0006712

Effective: Aug 1, 2012

NAME (PLEASE PRINT) Lauren Germinario	TITLE Land Manager
SIGNATURE <i>Lauren Germinario</i>	DATE 9/18/2012

(This space for State use only) **APPROVED**

DEC 31 2012

DIV. OIL GAS & MINING

BY: *Rachael Medina*

(See Instructions on Reverse Side)

RECEIVED
SEP 19 2012
DIV. OF OIL GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-603-229			
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO			
2. NAME OF OPERATOR: NNOGC EXPLORATION & PRODUCTION, LLC		7. UNIT or CA AGREEMENT NAME:			
3. ADDRESS OF OPERATOR: 1625 Broadway, Suite 1000 , Denver , CO, 80202		8. WELL NAME and NUMBER: TOHONADLA 35-P			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1219 FSL 0722 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 35 Township: 41.0S Range: 21.0E Meridian: S		9. API NUMBER: 43037500050000			
10. FIELD and POOL or WILDCAT: TOHONADLA		9. FIELD and POOL or WILDCAT: TOHONADLA			
COUNTY: SAN JUAN		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/11/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Vent"/> </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Vent"/>
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Vent"/>			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. We would like to request to continue venting the produced gas from the Tohonadla Tank Battery due to lack of sales infrastructure. These oil wells have been venting since first production. Venting is expected to continue until a right of way is approved and appropriate infrastructure is in place for gathering.					
Accepted by the Utah Division of Oil, Gas and Mining Date: _____ By: <u>Derek Quist</u> March 04, 2015					
Please Review Attached Conditions of Approval					
NAME (PLEASE PRINT) Racheal Dahozy		PHONE NUMBER 928-871-4880			
SIGNATURE N/A		TITLE Regulatory Analyst			
DATE 1/22/2015					



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037500050000

Under the the amount allowed (1800 mcf/month) by rule R649-3-20. Approval required if amount goes above 1800 mcf/month.

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

RECEIVED

MAR 14 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
NNOGC EXPLORATION AND PRODUCTION, LLC3a. Address
P.O. BOX 4439
WINDOW ROCK, AZ 865113b. Phone No. (include area code)
928-871-4880

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SECTION 35 TOWNSHIP 41 SOUTH, RANGE 21 EAST

5. Lease Serial No.
14-20-603-2296. If Indian, Allottee or Tribe Name
NAVAJO

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
VARIOUS9. API Well No.
VARIOUS10. Field and Pool or Exploratory Area
TOHONADLA11. Country or Parish, State
SAN JUAN COUNTY, UTAH

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other VENT
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

WE WOULD LIKE TO REQUEST TO CONTINUE VENTING THE PRODUCED GAS FROM THE TOHONADLA TANK BATTERY DUE TO LACK OF SALES INFRASTRUCTURE. THESE OIL WELLS HAVE BEEN VENTING SINCE FIRST PRODUCTION. VENTING IS EXPECTED TO CONTINUE UNTIL A RIGHT OF WAY IS APPROVED AND APPROPRIATE INFRASTRUCTURE IS IN PLACE FOR GATHERING.

THE WELLS CONNECTED TO THE TANK BATTERY AND/OR ON THE 14-20-603-229 LEASE ARE:

TOHONADLA 35-P	43-037-50005	FIRST PRODUCTION 12/2010
TOHONADLA 2-35	43-037-31564	FIRST PRODUCTION 7/1991
TOHONADLA 23-35	43-037-15874	FIRST PRODUCTION 11/1958
TOHONADLA #1	43-037-15872	FIRST PRODUCTION 7/1958
TOHONADLA 35-B	43-037-50023	FIRST PRODUCTION 3/2013

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

RICHARD A. FERRIS

Title CHIEF OPERATIONS ENGINEER

Signature

Richard A. Ferris

Date 03/11/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

Petr. Eng.

Date

4/29/14

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

sep
5-13-14